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Form **990**

Department of the Treasury
Internal Revenue Service

Return of Organization Exempt From Income Tax

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

OMB No 1545-0047

2011

Open to Public Inspection

A For the 2011 calendar year, or tax year beginning 10-01-2011 and ending 09-30-2012

B Check if applicable
- ☐ Address change
- ☐ Name change
- ☐ Initial return
- ☐ Terminated
- ☐ Amended return
- ☐ Application pending

C Name of organization
Wheeling Hospital Inc

Doing Business As

Number and street (or P O box if mail is not delivered to street address) | Room/suite
1 Medical Park

City or town, state or country, and ZIP + 4
Wheeling, WV 260036300

D Employer identification number
55-0357057

E Telephone number
(304) 243-3681

G Gross receipts $ 310,606,482

F Name and address of principal officer
Ronald Violi
1 Medical Park
Wheeling, WV 260036300

H(a) Is this a group return for affiliates? ☐ Yes ☑ No

H(b) Are all affiliates included? ☐ Yes ☐ No
If "No," attach a list (see instructions)

H(c) Group exemption number ▶ 0928

I Tax-exempt status ☑ 501(c)(3) ☐ 501(c) ( ) ◀ (insert no) ☐ 4947(a)(1) or ☐ 527

J Website: ▶ www wheelinghospital org

K Form of organization ☑ Corporation ☐ Trust ☐ Association ☐ Other ▶

L Year of formation 1850

M State of legal domicile WV

Part I Summary

1 Briefly describe the organization's mission or most significant activities
To provide needed care to the community regardless of an individual's ability to pay

2 Check this box ▶ ☐ if the organization discontinued its operations or disposed of more than 25% of its net assets

3	Number of voting members of the governing body (Part VI, line 1a)	**3**	15
4	Number of independent voting members of the governing body (Part VI, line 1b)	**4**	15
5	Total number of individuals employed in calendar year 2011 (Part V, line 2a)	**5**	2,572
6	Total number of volunteers (estimate if necessary)	**6**	343
7a	Total unrelated business revenue from Part VIII, column (C), line 12	**7a**	13,999,129
b	Net unrelated business taxable income from Form 990-T, line 34	**7b**	4,241,272

		Prior Year	Current Year
Revenue			
8	Contributions and grants (Part VIII, line 1h)	727,534	973,741
9	Program service revenue (Part VIII, line 2g)	265,936,185	281,580,887
10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,962,940	4,135,001
11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	13,692,386	9,018,933
12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	284,319,045	295,708,562
Expenses			
13	Grants and similar amounts paid (Part IX, column (A), lines 1–3)	0	600,000
14	Benefits paid to or for members (Part IX, column (A), line 4)	0	0
15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)	128,839,334	141,954,497
16a	Professional fundraising fees (Part IX, column (A), line 11e)	0	0
b	Total fundraising expenses (Part IX, column (D), line 25) ▶0		
17	Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	135,112,666	142,795,834
18	Total expenses Add lines 13–17 (must equal Part IX, column (A), line 25)	263,952,000	285,350,331
19	Revenue less expenses Subtract line 18 from line 12	20,367,045	10,358,231

		Beginning of Current Year	End of Year
Net Assets or Fund Balances			
20	Total assets (Part X, line 16)	260,978,372	294,451,055
21	Total liabilities (Part X, line 26)	85,616,847	100,718,392
22	Net assets or fund balances Subtract line 21 from line 20	175,361,525	193,732,663

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

▶ Signature of officer — 2013-07-03 Date

▶ James B Murdy CFO
Type or print name and title

Paid Preparer's Use Only

Preparer's signature ▶ Rebecca Lyons | Date | Check if self-employed ▶ ☐ | Preparer's taxpayer identification number (see instructions) P01487105

Firm's name (or yours if self-employed), address, and ZIP + 4 ▶ Deloitte Tax LLP
250 East Fifth Street Suite 1900
Cincinnati, OH 45202

EIN ▶ 86-1065772

Phone no ▶ (513) 784-7100

May the IRS discuss this return with the preparer shown above? (see instructions) ☑ Yes ☐ No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III . . . . . ☐

1 Briefly describe the organization's mission

Wheeling Hospital is a Catholic hospital which serves as a healing ministry providing compassionate care to people of all faiths in a loving, spiritual environment

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? . . . . . ☐ Yes ☑ No

If "Yes," describe these new services on Schedule O

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? . . . . . ☐ Yes ☑ No

If "Yes," describe these changes on Schedule O

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code) (Expenses $ 254,138,898 including grants of $ 600,000) (Revenue $ 263,436,883)

Wheeling Hospital serviced 11,490 inpatients and 514,616 outpatients during the fiscal year 2012 Community services included medical screening, diabetic education, cancer support, etc and is provided free of charge (This includes the Physician Practice, Wheeling Pediatrics and Women's Health Service Divisions)

4b (Code) (Expenses $ 7,265,265 including grants of $) (Revenue $ 8,653,182)

Continuous Care Center serviced 336 skilled and long term care patients for a total of 39,288 patient days

4c (Code) (Expenses $ including grants of $) (Revenue $)

4d Other program services (Describe in Schedule O)

(Expenses $ including grants of $) (Revenue $)

4e **Total program service expenses** ▶ $ 261,404,163

Part IV Checklist of Required Schedules

			Yes	No
1	Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? *If "Yes," complete Schedule A*	1	Yes	
2	Is the organization required to complete *Schedule B, Schedule of Contributors* (see instructions)?	2	Yes	
3	Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? *If "Yes," complete Schedule C, Part I*	3		No
4	**Section 501(c)(3) organizations.** Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? *If "Yes," complete Schedule C, Part II*	4	Yes	
5	Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? *If "Yes," complete Schedule C, Part III*	5		No
6	Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? *If "Yes," complete Schedule D, Part I*	6		No
7	Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas or historic structures? *If "Yes," complete Schedule D, Part II*	7		No
8	Did the organization maintain collections of works of art, historical treasures, or other similar assets? *If "Yes," complete Schedule D, Part III*	8		No
9	Did the organization report an amount in Part X, line 21, serve as a custodian for amounts not listed in Part X, or provide credit counseling, debt management, credit repair, or debt negotiation services? *If "Yes," complete Schedule D, Part IV*	9		No
10	Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? *If "Yes," complete Schedule D, Part V*	10		No
11	If the organization's answer to any of the following questions is 'Yes,' then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable			
a	Did the organization report an amount for land, buildings, and equipment in Part X, line10? *If "Yes," complete Schedule D, Part VI.*	11a	Yes	
b	Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VII.*	11b		No
c	Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part VIII.*	11c		No
d	Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? *If "Yes," complete Schedule D, Part IX.*	11d		No
e	Did the organization report an amount for other liabilities in Part X, line 25? *If "Yes," complete Schedule D, Part X.*	11e	Yes	
f	Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? *If "Yes," complete Schedule D, Part X.*	11f		No
12a	Did the organization obtain separate, independent audited financial statements for the tax year? *If "Yes," complete Schedule D, Parts XI, XII, and XIII*	12a		No
b	Was the organization included in consolidated, independent audited financial statements for the tax year? *If "Yes," and if the organization answered 'No' to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional*	12b	Yes	
13	Is the organization a school described in section 170(b)(1)(A)(ii)? *If "Yes," complete Schedule E*	13		No
14a	Did the organization maintain an office, employees, or agents outside of the United States?	14a		No
b	Did the organization have aggregate revenues or expenses of more than $10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at $100,000 or more? *If "Yes," complete Schedule F, Part I*	14b		No
15	Did the organization report on Part IX, column (A), line 3, more than $5,000 of grants or assistance to any organization or entity located outside the U S ? *If "Yes," complete Schedule F, Part II and IV*	15		No
16	Did the organization report on Part IX, column (A), line 3, more than $5,000 of aggregate grants or assistance to individuals located outside the U S ? *If "Yes," complete Schedule F, Part III and IV*	16		No
17	Did the organization report a total of more than $15,000, of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? *If "Yes," complete Schedule G, Part I*	17		No
18	Did the organization report more than $15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? *If "Yes," complete Schedule G, Part II*	18	Yes	
19	Did the organization report more than $15,000 of gross income from gaming activities on Part VIII, line 9a? *If "Yes," complete Schedule G, Part III*	19		No
20a	Did the organization operate one or more hospitals? *If "Yes," complete Schedule H*	20a	Yes	
b	If "Yes" to line 20a, did the organization attach its audited financial statement to this return? **Note.** All Form 990 filers that operated one or more hospitals must attach audited financial statements	20b	Yes	

Part IV Checklist of Required Schedules *(continued)*

21	Did the organization report more than $5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? *If "Yes," complete Schedule I, Parts I and II*	**21**	Yes	
22	Did the organization report more than $5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? *If "Yes," complete Schedule I, Parts I and III*	**22**		No
23	Did the organization answer "Yes" to Part VII, Section A, questions 3, 4, or 5, about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? *If "Yes," complete Schedule J*	**23**	Yes	
24a	Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than $100,000 as of the last day of the year, that was issued after December 31, 2002? *If "Yes," answer questions 24b–24d and complete Schedule K. If "No," go to line 25*	**24a**		No
b	Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?	**24b**		
c	Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?	**24c**		
d	Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?	**24d**		
25a	**Section 501(c)(3) and 501(c)(4) organizations.** Did the organization engage in an excess benefit transaction with a disqualified person during the year? *If "Yes," complete Schedule L, Part I*	**25a**		No
b	Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? *If "Yes," complete Schedule L, Part I*	**25b**		No
26	Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? *If "Yes," complete Schedule L, Part II*	**26**		No
27	Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? *If "Yes," complete Schedule L, Part III*	**27**		No
28	Was the organization a party to a business transaction with one of the following parties? (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions)			
a	A current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28a**		No
b	A family member of a current or former officer, director, trustee, or key employee? *If "Yes," complete Schedule L, Part IV*	**28b**	Yes	
c	An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or owner? *If "Yes," complete Schedule L, Part IV*	**28c**		No
29	Did the organization receive more than $25,000 in non-cash contributions? *If "Yes," complete Schedule M*	**29**	Yes	
30	Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? *If "Yes," complete Schedule M*	**30**		No
31	Did the organization liquidate, terminate, or dissolve and cease operations? *If "Yes," complete Schedule N, Part I*	**31**		No
32	Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? *If "Yes," complete Schedule N, Part II*	**32**		No
33	Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301 7701-2 and 301 7701-3? *If "Yes," complete Schedule R, Part I*	**33**	Yes	
34	Was the organization related to any tax-exempt or taxable entity? *If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1*	**34**	Yes	
35a	Is any related organization a controlled entity of the filing organization within the meaning of section 512(b)(13)?	**35a**	Yes	
b	Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? *If "Yes," complete Schedule R, Part V, line 2*	**35b**	Yes	
36	**Section 501(c)(3) organizations.** Did the organization make any transfers to an exempt non-charitable related organization? *If "Yes," complete Schedule R, Part V, line 2*	**36**		No
37	Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? *If "Yes," complete Schedule R, Part VI*	**37**		No
38	Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? **Note.** All Form 990 filers are required to complete Schedule O	**38**	Yes	

Part V **Statements Regarding Other IRS Filings and Tax Compliance**

Check if Schedule O contains a response to any question in this Part V . . . . . .

				Yes	No
1a	Enter the number reported in Box 3 of Form 1096 Enter -0- if not applicable	**1a**	583		
b	Enter the number of Forms W-2G included in line 1a *Enter -0-* if not applicable	**1b**	0		
c	Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners?			**1c**	Yes	
2a	Enter the number of employees reported on Form W-3, *Transmittal of Wage and Tax Statements* filed for the calendar year ending with or within the year covered by this return	**2a**	2,572			
b	If at least one is reported on line 2a, did the organization file all required federal employment tax returns?			**2b**	Yes	
	Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file (see instructions)					
3a	Did the organization have unrelated business gross income of $1,000 or more during the year?			**3a**	Yes	
b	If "Yes," has it filed a Form 990-T for this year? *If "No," provide an explanation in Schedule O*			**3b**	Yes	
4a	At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account or securities account)?			**4a**		No
b	If "Yes," enter the name of the foreign country ▶ _____ See instructions for filing requirements for Form TD F 90-22 1, Report of Foreign Bank and Financial Accounts					
5a	Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? . .			**5a**		No
b	Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction?			**5b**		No
c	If "Yes" to line 5a or 5b, did the organization file Form 8886-T?			**5c**		
6a	Does the organization have annual gross receipts that are normally greater than $100,000, and did the organization solicit any contributions that were not tax deductible?			**6a**		No
b	If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible?			**6b**		
7	**Organizations that may receive deductible contributions under section 170(c).**					
a	Did the organization receive a payment in excess of $75 made partly as a contribution and partly for goods and services provided to the payor?			**7a**		No
b	If "Yes," did the organization notify the donor of the value of the goods or services provided?			**7b**		
c	Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282?			**7c**		No
d	If "Yes," indicate the number of Forms 8282 filed during the year	**7d**				
e	Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract?			**7e**		No
f	Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? . .			**7f**		No
g	If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required?			**7g**		
h	If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C?			**7h**		
8	**Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations.** Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year?			**8**		
9	**Sponsoring organizations maintaining donor advised funds.**					
a	Did the organization make any taxable distributions under section 4966?			**9a**		
b	Did the organization make a distribution to a donor, donor advisor, or related person?			**9b**		
10	**Section 501(c)(7) organizations.** Enter					
a	Initiation fees and capital contributions included on Part VIII, line 12 . . .	**10a**				
b	Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities	**10b**				
11	**Section 501(c)(12) organizations.** Enter					
a	Gross income from members or shareholders	**11a**				
b	Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them)	**11b**				
12a	**Section 4947(a)(1) non-exempt charitable trusts.** Is the organization filing Form 990 in lieu of Form 1041?			**12a**		
b	If "Yes," enter the amount of tax-exempt interest received or accrued during the year	**12b**				
13	**Section 501(c)(29) qualified nonprofit health insurance issuers.**					
a	Is the organization licensed to issue qualified health plans in more than one state? **Note.** All 501(c)(29) organizations must list in Schedule O each state in which they are licensed to issue qualified health plans, the amount of reserves required by each state, and the amount of reserves the organization allocated to each state			**13a**		
b	Enter the aggregate amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans	**13b**				
c	Enter the aggregate amount of reserves on hand	**13c**				
14a	Did the organization receive any payments for indoor tanning services during the tax year?			**14a**		No
b	If "Yes," has it filed a Form 720 to report these payments? *If "No," provide an explanation in Schedule O* . .			**14b**		

Part VI **Governance, Management, and Disclosure** For each "Yes" response to lines 2 through 7b below, and for a "No" response to lines 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI . . . . . ☑

Section A. Governing Body and Management

				Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year	1a	15		
b	Enter the number of voting members included in line 1a, above, who are independent	1b	15		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		2	Yes	
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person? .		3	Yes	
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		4		No
5	Did the organization become aware during the year of a significant diversion of the organization's assets? .		5		No
6	Did the organization have members or stockholders?		6	Yes	
7a	Did the organization have members, stockholders, or other persons who had the power to elect or appoint one or more members of the governing body?		7a	Yes	
b	Are any governance decisions of the organization reserved to (or subject to approval by) members, stockholders, or persons other than the governing body?		7b		No
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following				
a	The governing body?		8a	Yes	
b	Each committee with authority to act on behalf of the governing body?		8b	Yes	
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		9		No

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

			Yes	No
10a	Did the organization have local chapters, branches, or affiliates?	10a		No
b	If "Yes," did the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with the organization's exempt purposes?	10b		
11a	Has the organization provided a complete copy of this Form 990 to all members of its governing body before filing the form?	11a		No
b	Describe in Schedule O the process, if any, used by the organization to review the Form 990			
12a	Did the organization have a written conflict of interest policy? *If "No," go to line 13*	12a	Yes	
b	Were officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	12b	Yes	
c	Did the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this was done	12c	Yes	
13	Did the organization have a written whistleblower policy?	13		No
14	Did the organization have a written document retention and destruction policy?	14	Yes	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?			
a	The organization's CEO, Executive Director, or top management official	15a	Yes	
b	Other officers or key employees of the organization	15b	Yes	
	If "Yes," to line 15a or 15b, describe the process in Schedule O (see instructions)			
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?	16a	Yes	
b	If "Yes," did the organization follow a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and take steps to safeguard the organization's exempt status with respect to such arrangements?	16b		No

Section C. Disclosure

17 List the States with which a copy of this Form 990 is required to be filed ▶ WV

18 Section 6104 requires an organization to make its Form 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection Indicate how you made these available Check all that apply

☐ Own website ☐ Another's website ☑ Upon request

19 Describe in Schedule O whether (and if so, how), the organization made its governing documents, conflict of interest policy, and financial statements available to the public See Additional Data Table

20 State the name, physical address, and telephone number of the person who possesses the books and records of the organization ▶

James B Murdy
1 Medical Park
Wheeling, WV 260036300
(304) 243-3681

Part VII Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII . . . . . ☑

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation, and **current** key employees Enter -0- in columns (D), (E), and (F) if no compensation was paid
- List all of the organization's **current** key employees, if any See instructions for definition of "key employee "
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than $100,000 from the organization and any related organizations
- List all of the organization's **former** officers, key employees, or highest compensated employees who received more than $100,000 of reportable compensation from the organization and any related organizations
- List all of the organization's **former directors or trustees** that received, in the capacity as a former director or trustee of the organization, more than $10,000 of reportable compensation from the organization and any related organizations

List persons in the following order individual trustees or directors, institutional trustees, officers, key employees, highest compensated employees, and former such persons

☐ Check this box if neither the organization nor any related organizations compensated any current or former officer, director, or trustee

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(1) The Most Rev Michael J Bransfield Chairman	1 00	X		X				0	0	0
(2) Very Rev Kevin M Quirk JCD JV President/Secretary	1 00	X		X				0	0	0
(3) James E Altmeyer Sr Board Member	1 00	X						0	0	0
(4) Rev Mon Frederick P Annie VG Board Member	1 00	X						0	0	0
(5) John J Battaglino Jr MD Board Member	1 00	X						22,501	0	0
(6) Thomas F Burgoyne Board Member	1 00	X						0	0	0
(7) Frank L Carenbauer III DDS Board Member	1 00	X						0	0	0
(8) David A Ghaphery MD start 112 Board Member	1 00	X						0	0	0
(9) C Gary Hill Board Member	1 00	X						0	0	0
(10) Howard L Long Board Member	1 00	X						0	0	0
(11) Curtis R Oliver Board Member	1 00	X						0	0	0
(12) Sister Mary Palmer CSJ Board Member	1 00	X						0	0	0
(13) Richard M Polinsky Board Member	1 00	X						0	0	0
(14) Nick A Sparachane Board Member	1 00	X						0	0	0
(15) Raymond V Thalman III Board Member	1 00	X						0	0	0
(16) Ronald L Violi Sch J L Chief Executive Officer	60 00			X				0	0	0
(17) Michael S McKeets Chief Operating Officer	60 00			X				193,629	0	20,476

Part VII **Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees** (continued)

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (do not check more than one box, unless person is both an officer and a director/trustee)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
(18) James B Murdy Chief Financial Officer	60 00			X				255,420	0	47,775
(19) Patricia Liebman Executive Vice President	60 00				X			383,281	0	30,965
(20) Angelo Georges MD Chief Medical Officer	60 00				X			500,678	0	40,445
(21) Dennis Niess MD Chief Med Info Officer	60 00				X			275,641	0	28,815
(22) David Rapp Chief Info Officer	60 00				X			226,357	0	35,526
(23) Cinda Marsh Chief Nursing Officer	60 00				X			180,773	0	9,408
(24) Chandra S Swamy Physician	40 00					X		1,172,209	0	28,476
(25) Jessica Ybanez-Morano Physician	40 00					X		810,896	0	45,641
(26) Gregory S Merrick Physician	40 00					X		1,186,396	0	5,501
(27) Ahmad Rahbar Physician	40 00					X		849,167	0	15,277
(28) Jondavid Pollock Physician	40 00					X		1,094,530	0	5,422
(29) Robert Coram Former Senior Clinical Director	0 00						X	76,122	0	9,072
(30) Susan Falbo Former VP HR	0 00						X	126,028	0	354
1b Sub-Total . . . . . ▶										
c Total from continuation sheets to Part VII, Section A . . . . ▶										
d Total (add lines 1b and 1c) . . . . . ▶								7,353,628	0	323,153

2 Total number of individuals (including but not limited to those listed above) who received more than $100,000 of reportable compensation from the organization ▶ 119

			Yes	No
3	Did the organization list any **former** officer, director or trustee, key employee, or highest compensated employee on line 1a? *If "Yes," complete Schedule J for such individual*	**3**	Yes	
4	For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than $150,000? *If "Yes," complete Schedule J for such individual*	**4**	Yes	
5	Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? *If "Yes," complete Schedule J for such person*	**5**	Yes	

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than $100,000 of compensation from the organization Report compensation for the calendar year ending with or within the organization's tax year

(A) Name and business address	(B) Description of services	(C) Compensation
GrazianoPJ Dick (Sch O) PO Box 6774 Pittsburgh, PA 15212	Construction Manager	13,997,582
R & V Associates 310 Grant St Ste 1120 Pittsburgh, PA 15219	Consulting	3,071,545
Eclipsys Corporation 1750 Clint Moore Rd Boca Raton, FL 33487	Medical Equipment Services	1,370,334
McKay Consulting 8590 Business Park Drive Shreveport, LA 71105	Consulting	810,786
US Security Associates PO Box 931703 Atlanta, GA 31193	Security	803,100

2 Total number of independent contractors (including but not limited to those listed above) who received more than $100,000 of compensation from the organization ▶ 31

Part VIII Statement of Revenue

				(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a				
	b	Membership dues	1b				
	c	Fundraising events	1c				
	d	Related organizations	1d				
	e	Government grants (contributions)	1e	434,303			
	f	All other contributions, gifts, grants, and similar amounts not included above	1f	539,438			
	g	Noncash contributions included in lines 1a-1f $ 42,506					
	h	**Total.** Add lines 1a-1f		973,741			
Program Service Revenue			Business Code				
	2a	Med Svcs/Diagn Lab	621500	281,580,887	270,942,925	10,637,962	
	b						
	c						
	d						
	e						
	f	All other program service revenue					
	g	**Total.** Add lines 2a–2f		281,580,887			
	3	Investment income (including dividends, interest and other similar amounts)		3,312,910	1,147,140		2,165,770
	4	Income from investment of tax-exempt bond proceeds					
	5	Royalties					
			(i) Real	(ii) Personal			
	6a	Gross rents	1,123,124				
	b	Less rental expenses	358,505				
	c	Rental income or (loss)	764,619				
	d	Net rental income or (loss)		764,619			764,619
			(i) Securities	(ii) Other			
	7a	Gross amount from sales of assets other than inventory	15,084,632	45,377			
	b	Less cost or other basis and sales expenses	14,031,750	276,168			
	c	Gain or (loss)	1,052,882	-230,791			
	d	Net gain or (loss)		822,091			822,091
Other Revenue	8a	Gross income from fundraising events (not including $ _____ of contributions reported on line 1c) See Part IV, line 18	a 194,842				
	b	Less direct expenses	b 231,497				
	c	Net income or (loss) from fundraising events		-36,655			-36,655
	9a	Gross income from gaming activities See Part IV, line 19	a				
	b	Less direct expenses	b				
	c	Net income or (loss) from gaming activities					
	10a	Gross sales of inventory, less returns and allowances	a				
	b	Less cost of goods sold	b				
	c	Net income or (loss) from sales of inventory					
		Miscellaneous Revenue	Business Code				
	11a	Apothecary	446110	3,113,022		1,113,551	1,999,471
	b	Non-Operating Revenue	713940	2,427,555		2,247,616	179,939
	c	Cafeteria Sales	900099	1,123,895			1,123,895
	d	All other revenue		1,626,497			1,626,497
	e	**Total.** Add lines 11a–11d		8,290,969			
	12	**Total revenue.** See Instructions		295,708,562	272,090,065	13,999,129	8,645,627

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns

All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D)

Check if Schedule O contains a response to any question in this Part IX . . . . . ☐

Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the United States See Part IV, line 21	600,000	600,000		
2	Grants and other assistance to individuals in the United States See Part IV, line 22				
3	Grants and other assistance to governments, organizations, and individuals outside the United States See Part IV, lines 15 and 16				
4	Benefits paid to or for members				
5	Compensation of current officers, directors, trustees, and key employees	4,308,857	549,847	3,759,010	
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)				
7	Other salaries and wages	111,006,671	104,058,181	6,948,490	
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	4,463,349	4,149,298	314,051	
9	Other employee benefits	14,351,814	13,344,169	1,007,645	
10	Payroll taxes	7,823,806	6,975,786	848,020	
11	Fees for services (non-employees)				
a	Management				
b	Legal	789,412	122,179	667,233	
c	Accounting	224,589		224,589	
d	Lobbying	151,519		151,519	
e	Professional fundraising *See Part IV, line 17* . .				
f	Investment management fees	261,213	261,213		
g	Other	15,534,718	14,121,189	1,413,529	
12	Advertising and promotion	1,564,331	33,696	1,530,635	
13	Office expenses	65,800,765	64,287,299	1,513,466	
14	Information technology	727,038		727,038	
15	Royalties . .				
16	Occupancy	3,516,502	3,451,478	65,024	
17	Travel				
18	Payments of travel or entertainment expenses for any federal, state, or local public officials				
19	Conferences, conventions, and meetings	741,060	615,061	125,999	
20	Interest	1,287,785	1,287,785		
21	Payments to affiliates				
22	Depreciation, depletion, and amortization	14,312,164	14,082,523	229,641	
23	Insurance	6,712,348	6,711,260	1,088	
24	Other expenses Itemize expenses not covered above (List miscellaneous expenses in line 24f If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O)				
a	Bad Debt	14,602,018	14,602,018		
b	Licenses/Taxes	7,727,851	7,501,029	226,822	
c	Consult/Mgmt Contracts	3,441,284	2,092	3,439,192	
d	UBI Tax	1,276,134	1,276,134		
e					
f	All other expenses	4,125,103	3,371,926	753,177	
25	**Total functional expenses.** Add lines 1 through 24f	285,350,331	261,404,163	23,946,168	0
26	**Joint costs.** Check here ▶ ☐ if following SOP 98-2 (ASC 958-720) Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

				(A) Beginning of year		(B) End of year
Assets	1	Cash—non-interest-bearing		832,474	1	30,501,722
	2	Savings and temporary cash investments		37,747,713	2	9,618,837
	3	Pledges and grants receivable, net			3	0
	4	Accounts receivable, net		25,304,977	4	27,040,136
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees Complete Part II of Schedule L			5	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B) Complete Part II of Schedule L			6	
	7	Notes and loans receivable, net			7	
	8	Inventories for sale or use		2,536,745	8	1,982,418
	9	Prepaid expenses and deferred charges		4,353,652	9	4,578,956
	10a	Land, buildings, and equipment cost or other basis *Complete Part VI of Schedule D*	10a 331,967,559			
	b	Less accumulated depreciation	10b 204,541,966	112,941,875	10c	127,425,593
	11	Investments—publicly traded securities		61,136,829	11	70,823,974
	12	Investments—other securities See Part IV, line 11		9,176,763	12	8,858,130
	13	Investments—program-related See Part IV, line 11			13	
	14	Intangible assets			14	
	15	Other assets See Part IV, line 11		6,947,344	15	13,621,289
	16	**Total assets.** Add lines 1 through 15 (must equal line 34)		260,978,372	16	294,451,055
Liabilities	17	Accounts payable and accrued expenses		43,491,824	17	38,918,550
	18	Grants payable			18	
	19	Deferred revenue			19	
	20	Tax-exempt bond liabilities			20	
	21	Escrow or custodial account liability *Complete Part IV of Schedule D*			21	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons *Complete Part II of Schedule L*			22	
	23	Secured mortgages and notes payable to unrelated third parties		40,794,335	23	60,401,438
	24	Unsecured notes and loans payable to unrelated third parties			24	
	25	Other liabilities (including federal income tax, payables to related third parties, and other liabilities not included on lines 17-24) Complete Part X of Schedule D		1,330,688	25	1,398,404
	26	**Total liabilities.** Add lines 17 through 25		85,616,847	26	100,718,392
Net Assets or Fund Balances		**Organizations that follow SFAS 117, check here ▶ ☑ and complete lines 27 through 29, and lines 33 and 34.**				
	27	Unrestricted net assets		168,261,395	27	186,090,362
	28	Temporarily restricted net assets		7,100,130	28	7,642,301
	29	Permanently restricted net assets			29	0
		Organizations that do not follow SFAS 117, check here ▶ ☐ and complete lines 30 through 34.				
	30	Capital stock or trust principal, or current funds			30	
	31	Paid-in or capital surplus, or land, building or equipment fund			31	
	32	Retained earnings, endowment, accumulated income, or other funds			32	
	33	Total net assets or fund balances		175,361,525	33	193,732,663
	34	Total liabilities and net assets/fund balances		260,978,372	34	294,451,055

Part XI Reconcilliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI . . . . . ☑

1	Total revenue (must equal Part VIII, column (A), line 12) . . .	1	295,708,562
2	Total expenses (must equal Part IX, column (A), line 25)	2	285,350,331
3	Revenue less expenses Subtract line 2 from line 1	3	10,358,231
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A)) . .	4	175,361,525
5	Other changes in net assets or fund balances (explain in Schedule O)	5	8,012,907
6	Net assets or fund balances at end of year Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	193,732,663

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII . . . . . ☑

			Yes	No
1	Accounting method used to prepare the Form 990 ☐ Cash ☑ Accrual ☐ Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O			
2a	Were the organization's financial statements compiled or reviewed by an independent accountant? . .	2a		No
b	Were the organization's financial statements audited by an independent accountant?	2b	Yes	
c	If "Yes," to 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O	2c	Yes	
d	If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both ☐ Separate basis ☑ Consolidated basis ☐ Both consolidated and separated basis			
3a	As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?	3a	Yes	
b	If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits . .	3b	Yes	

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SCHEDULE A (Form 990 or 990EZ)

Department of the Treasury
Internal Revenue Service

Public Charity Status and Public Support

Complete if the organization is a section 501(c)(3) organization or a section 4947(a)(1) nonexempt charitable trust.

▶ **Attach to Form 990 or Form 990-EZ.** ▶ **See separate instructions.**

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Wheeling Hospital Inc

Employer identification number
55-0357057

Part I Reason for Public Charity Status (All organizations must complete this part.) See instructions

The organization is not a private foundation because it is (For lines 1 through 11, check only one box)

1 ☐ A church, convention of churches, or association of churches **section 170(b)(1)(A)(i).**

2 ☐ A school described in **section 170(b)(1)(A)(ii).** (Attach Schedule E)

3 ☑ A hospital or a cooperative hospital service organization described in **section 170(b)(1)(A)(iii).**

4 ☐ A medical research organization operated in conjunction with a hospital described in **section 170(b)(1)(A)(iii).** Enter the hospital's name, city, and state

_____

5 ☐ An organization operated for the benefit of a college or university owned or operated by a governmental unit described in **section 170(b)(1)(A)(iv).** (Complete Part II)

6 ☐ A federal, state, or local government or governmental unit described in **section 170(b)(1)(A)(v).**

7 ☐ An organization that normally receives a substantial part of its support from a governmental unit or from the general public described in **section 170(b)(1)(A)(vi)** (Complete Part II)

8 ☐ A community trust described in **section 170(b)(1)(A)(vi)** (Complete Part II)

9 ☐ An organization that normally receives (1) more than 33 1/3% of its support from contributions, membership fees, and gross receipts from activities related to its exempt functions—subject to certain exceptions, and (2) no more than 33 1/3% of its support from gross investment income and unrelated business taxable income (less section 511 tax) from businesses acquired by the organization after June 30, 1975 See **section 509(a)(2).** (Complete Part III)

10 ☐ An organization organized and operated exclusively to test for public safety See **section 509(a)(4).**

11 ☐ An organization organized and operated exclusively for the benefit of, to perform the functions of, or to carry out the purposes of one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2) See **section 509(a)(3).** Check the box that describes the type of supporting organization and complete lines 11e through 11h

a ☐ Type I **b** ☐ Type II **c** ☐ Type III - Functionally integrated **d** ☐ Type III - Other

e ☐ By checking this box, I certify that the organization is not controlled directly or indirectly by one or more disqualified persons other than foundation managers and other than one or more publicly supported organizations described in section 509(a)(1) or section 509(a)(2)

f If the organization received a written determination from the IRS that it is a Type I, Type II or Type III supporting organization, check this box ☐

g Since August 17, 2006, has the organization accepted any gift or contribution from any of the following persons?

	Yes	No
(i) a person who directly or indirectly controls, either alone or together with persons described in (ii) and (iii) below, the governing body of the the supported organization? **11g(i)**		
(ii) a family member of a person described in (i) above? **11g(ii)**		
(iii) a 35% controlled entity of a person described in (i) or (ii) above? **11g(iii)**		

h Provide the following information about the supported organization(s)

(i) Name of supported organization	(ii) EIN	(iii) Type of organization (described on lines 1- 9 above or IRC section (see instructions))	(iv) Is the organization in col (i) listed in your governing document? Yes	(iv) No	(v) Did you notify the organization in col (i) of your support? Yes	(v) No	(vi) Is the organization in col (i) organized in the U S ? Yes	(vi) No	(vii) Amount of support?
Total									

Part II **Support Schedule for Organizations Described in IRC 170(b)(1)(A)(iv) and 170(b)(1)(A)(vi)**
(Complete only if you checked the box on line 5, 7, or 8 of Part I or if the organization failed to qualify under Part III. If the organization fails to qualify under the tests listed below, please complete Part III.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
3 The value of services or facilities furnished by a governmental unit to the organization without charge						
4 **Total.** Add lines 1 through 3						
5 The portion of total contributions by each person (other than a governmental unit or publicly supported organization) included on line 1 that exceeds 2% of the amount shown on line 11, column (f)						
6 **Public Support.** Subtract line 5 from line 4						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
7 Amounts from line 4						
8 Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
9 Net income from unrelated business activities, whether or not the business is regularly carried on						
10 Other income (Explain in Part IV) Do not include gain or loss from the sale of capital assets						
11 **Total support** (Add lines 7 through 10)						

12 Gross receipts from related activities, etc (See instructions) **12**

13 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here**

Section C. Computation of Public Support Percentage

14 Public Support Percentage for 2011 (line 6 column (f) divided by line 11 column (f)) **14**

15 Public Support Percentage for 2010 Schedule A, Part II, line 14 **15**

16a **33 1/3% support test—2011.** If the organization did not check the box on line 13, and line 14 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

b **33 1/3% support test—2010.** If the organization did not check the box on line 13 or 16a, and line 15 is 33 1/3% or more, check this box and **stop here.** The organization qualifies as a publicly supported organization

17a **10%-facts-and-circumstances test—2011.** If the organization did not check a box on line 13, 16a, or 16b and line 14 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization

b **10%-facts-and-circumstances test—2010.** If the organization did not check a box on line 13, 16a, 16b, or 17a and line 15 is 10% or more, and if the organization meets the "facts and circumstances" test, check this box and **stop here.** Explain in Part IV how the organization meets the "facts and circumstances" test The organization qualifies as a publicly supported organization

18 **Private Foundation** If the organization did not check a box on line 13, 16a, 16b, 17a or 17b, check this box and see instructions

Part III **Support Schedule for Organizations Described in IRC 509(a)(2)**
(Complete only if you checked the box on line 9 of Part I or if the organization failed to qualify under Part II. If the organization fails to qualify under the tests listed below, please complete Part II.)

Section A. Public Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
1 Gifts, grants, contributions, and membership fees received (Do not include any "unusual grants ")						
2 Gross receipts from admissions, merchandise sold or services performed, or facilities furnished in any activity that is related to the organization's tax-exempt purpose						
3 Gross receipts from activities that are not an unrelated trade or business under section 513						
4 Tax revenues levied for the organization's benefit and either paid to or expended on its behalf						
5 The value of services or facilities furnished by a governmental unit to the organization without charge						
6 **Total.** Add lines 1 through 5						
7a Amounts included on lines 1, 2, and 3 received from disqualified persons						
b Amounts included on lines 2 and 3 received from other than disqualified persons that exceed the greater of $5,000 or 1% of the amount on line 13 for the year						
c Add lines 7a and 7b						
8 **Public Support** (Subtract line 7c from line 6)						

Section B. Total Support

Calendar year (or fiscal year beginning in)	(a) 2007	(b) 2008	(c) 2009	(d) 2010	(e) 2011	(f) Total
9 Amounts from line 6						
10a Gross income from interest, dividends, payments received on securities loans, rents, royalties and income from similar sources						
b Unrelated business taxable income (less section 511 taxes) from businesses acquired after June 30, 1975						
c Add lines 10a and 10b						
11 Net income from unrelated business activities not included in line 10b, whether or not the business is regularly carried on						
12 Other income Do not include gain or loss from the sale of capital assets (Explain in Part IV)						
13 **Total support** (Add lines 9, 10c, 11 and 12)						

14 **First Five Years** If the Form 990 is for the organization's first, second, third, fourth, or fifth tax year as a 501(c)(3) organization, check this box and **stop here** ▶☐

Section C. Computation of Public Support Percentage

15 Public Support Percentage for 2011 (line 8 column (f) divided by line 13 column (f))	15	
16 Public support percentage from 2010 Schedule A, Part III, line 15	16	

Section D. Computation of Investment Income Percentage

17 Investment income percentage for **2011** (line 10c column (f) divided by line 13 column (f))	17	
18 Investment income percentage from **2010** Schedule A, Part III, line 17	18	

19a **33 1/3% support tests—2011.** If the organization did not check the box on line 14, and line 15 is more than 33 1/3% and line 17 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

b **33 1/3% support tests—2010.** If the organization did not check a box on line 14 or line 19a, and line 16 is more than 33 1/3% and line 18 is not more than 33 1/3%, check this box and **stop here.** The organization qualifies as a publicly supported organization ▶☐

20 **Private Foundation** If the organization did not check a box on line 14, 19a or 19b, check this box and see instructions ▶☐

Part IV **Supplemental Information.** Supplemental Information. Complete this part to provide the explanation required by Part II, line 10; Part II, line 17a or 17b; or Part III, line 12. Also complete this part for any additional information. (See instructions).

Facts And Circumstances Test

Explanation

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SCHEDULE C
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Political Campaign and Lobbying Activities

For Organizations Exempt From Income Tax Under section 501(c) and section 527

▶ **Complete if the organization is described below.**

▶ **Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.**

OMB No 1545-0047

2011

Open to Public Inspection

If the organization answered "Yes," to Form 990, Part IV, Line 3, or Form 990-EZ, Part V, line 46 (Political Campaign Activities), then

- Section 501(c)(3) organizations Complete Parts I-A and B Do not complete Part I-C
- Section 501(c) (other than section 501(c)(3)) organizations Complete Parts I-A and C below Do not complete Part I-B
- Section 527 organizations Complete Part I-A only

If the organization answered "Yes," to Form 990, Part IV, Line 4, or Form 990-EZ, Part VI, line 47 (Lobbying Activities), then

- Section 501(c)(3) organizations that have filed Form 5768 (election under section 501(h)) Complete Part II-A Do not complete Part II-B
- Section 501(c)(3) organizations that have NOT filed Form 5768 (election under section 501(h)) Complete Part II-B Do not complete Part II-A

If the organization answered "Yes," to Form 990, Part IV, Line 5 (Proxy Tax) or Form 990-EZ, line 35c (Proxy Tax), then

- Section 501(c)(4), (5), or (6) organizations Complete Part III

Name of the organization	Employer identification number
Wheeling Hospital Inc	55-0357057

Part I-A Complete if the organization is exempt under section 501(c) or is a section 527 organization.

1 Provide a description of the organization's direct and indirect political campaign activities on behalf of or in opposition to candidates for public office in Part IV

2 Political expenditures ▶ $ _____

3 Volunteer hours _____

Part I-B Complete if the organization is exempt under section 501(c)(3).

1 Enter the amount of any excise tax incurred by the organization under section 4955 ▶ $ _____

2 Enter the amount of any excise tax incurred by organization managers under section 4955 ▶ $ _____

3 If the organization incurred a section 4955 tax, did it file Form 4720 for this year? ☐ Yes ☐ No

4a Was a correction made? ☐ Yes ☐ No

b If "Yes," describe in Part IV

Part I-C Complete if the organization is exempt under section 501(c) except section 501(c)(3).

1 Enter the amount directly expended by the filing organization for section 527 exempt function activities ▶ $ _____

2 Enter the amount of the filing organization's funds contributed to other organizations for section 527 exempt funtion activities ▶ $ _____

3 Total exempt function expenditures Add lines 1 and 2 Enter here and on Form 1120-POL, line 17b ▶ $ _____

4 Did the filing organization file **Form 1120-POL** for this year? ☐ Yes ☐ No

5 Enter the names, addresses and employer identification number (EIN) of all section 527 political organizations to which the filing organization made payments For each organization listed, enter the amount paid from the filing organization's funds Also enter the amount of political contributions received that were promptly and directly delivered to a separate political organization, such as a separate segregated fund or a political action committee (PAC) If additional space is needed, provide information in Part IV

(a) Name	**(b)** Address	**(c)** EIN	**(d)** Amount paid from filing organization's funds If none, enter -0-	**(e)** Amount of political contributions received and promptly and directly delivered to a separate political organization If none, enter -0-

Part II-A **Complete if the organization is exempt under section 501(c)(3) and filed Form 5768 (election under section 501(h)).**

A Check ☐ if the filing organization belongs to an affiliated group (and list in Part IV each affiliated group member's name, address, EIN, expenses, and share of excess lobbying expenditures)

B Check ☐ if the filing organization checked box A and "limited control" provisions apply

Limits on Lobbying Expenditures (The term "expenditures" means amounts paid or incurred.)	(a) Filing Organization's Totals	(b) Affiliated Group Totals
1a Total lobbying expenditures to influence public opinion (grass roots lobbying)		
b Total lobbying expenditures to influence a legislative body (direct lobbying)		
c Total lobbying expenditures (add lines 1a and 1b)		
d Other exempt purpose expenditures		
e Total exempt purpose expenditures (add lines 1c and 1d)		
f Lobbying nontaxable amount Enter the amount from the following table in both columns		
g Grassroots nontaxable amount (enter 25% of line 1f)		
h Subtract line 1g from line 1a If zero or less, enter -0-		
i Subtract line 1f from line 1c If zero or less, enter -0-		

If the amount on line 1e, column (a) or (b) is:	The lobbying nontaxable amount is:
Not over $500,000	20% of the amount on line 1e
Over $500,000 but not over $1,000,000	$100,000 plus 15% of the excess over $500,000
Over $1,000,000 but not over $1,500,000	$175,000 plus 10% of the excess over $1,000,000
Over $1,500,000 but not over $17,000,000	$225,000 plus 5% of the excess over $1,500,000
Over $17,000,000	$1,000,000

j If there is an amount other than zero on either line 1h or line 1i, did the organization file Form 4720 reporting section 4911 tax for this year? ☐ **Yes** ☐ **No**

4-Year Averaging Period Under Section 501(h)
(Some organizations that made a section 501(h) election do not have to complete all of the five columns below. See the instructions for lines 2a through 2f on page 4.)

Lobbying Expenditures During 4-Year Averaging Period

Calendar year (or fiscal year beginning in)	(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) Total
2a Lobbying non-taxable amount					
b Lobbying ceiling amount (150% of line 2a, column(e))					
c Total lobbying expenditures					
d Grassroots non-taxable amount					
e Grassroots ceiling amount (150% of line 2d, column (e))					
f Grassroots lobbying expenditures					

Part II-B Complete if the organization is exempt under section 501(c)(3) and has NOT filed Form 5768 (election under section 501(h)).

		(a) Yes	(a) No	(b) Amount
1	During the year, did the filing organization attempt to influence foreign, national, state or local legislation, including any attempt to influence public opinion on a legislative matter or referendum, through the use of			
a	Volunteers?		No	
b	Paid staff or management (include compensation in expenses reported on lines 1c through 1i)?		No	
c	Media advertisements?		No	
d	Mailings to members, legislators, or the public?		No	
e	Publications, or published or broadcast statements?		No	
f	Grants to other organizations for lobbying purposes?		No	
g	Direct contact with legislators, their staffs, government officials, or a legislative body?		No	
h	Rallies, demonstrations, seminars, conventions, speeches, lectures, or any similar means?		No	
i	Other activities? If "Yes," describe in Part IV	Yes		151,519
j	Total lines 1c through 1i			151,519
2a	Did the activities in line 1 cause the organization to be not described in section 501(c)(3)?		No	
b	If "Yes," enter the amount of any tax incurred under section 4912			
c	If "Yes," enter the amount of any tax incurred by organization managers under section 4912			
d	If the filing organization incurred a section 4912 tax, did it file Form 4720 for this year?			

Part III-A Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6).

			Yes	No
1	Were substantially all (90% or more) dues received nondeductible by members?	1		
2	Did the organization make only in-house lobbying expenditures of $2,000 or less?	2		
3	Did the organization agree to carryover lobbying and political expenditures from the prior year?	3		

Part III-B Complete if the organization is exempt under section 501(c)(4), section 501(c)(5), or section 501(c)(6) if BOTH Part III-A, lines 1 and 2 are answered "No" OR if Part III-A, line 3 is answered "Yes".

1	Dues, assessments and similar amounts from members	1	
2	Section 162(e) non-deductible lobbying and political expenditures **(do not include amounts of political expenses for which the section 527(f) tax was paid).**		
a	Current year	2a	
b	Carryover from last year	2b	
c	Total	2c	
3	Aggregate amount reported in section 6033(e)(1)(A) notices of nondeductible section 162(e) dues	3	
4	If notices were sent and the amount on line 2c exceeds the amount on line 3, what portion of the excess does the organization agree to carryover to the reasonable estimate of nondeductible lobbying and political expenditure next year?	4	
5	Taxable amount of lobbying and political expenditures (see instructions)	5	

Part IV Supplemental Information

Complete this part to provide the descriptions required for Part I-A, line 1, Part I-B, line 4, Part I-C, line 5, and Part II-B, line 1i. Also, complete this part for any additional information.

Identifier	Return Reference	Explanation
Part IV, Supplemental Information		Part II-B, Line 1(i), Other Lobbying Activities Lobbying expenses represents the portion of dues paid to national and state hospital associations that is specifically allocable to lobbying and amounts paid to Lewis, Glasser, Casey & Rollins for governmental relations Wheeling Hospital, Inc does not participate in or intervene in (including the publishing or distributing of statements) any political campaign on behalf of (or in opposition to) any candidate for public office

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SCHEDULE D (Form 990)

Department of the Treasury
Internal Revenue Service

Supplemental Financial Statements

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 9, 10, 11a, 11b, 11c, 11d, 11e, 11f, 12a, or 12b
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Wheeling Hospital Inc

Employer identification number
55-0357057

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

		(a) Donor advised funds	(b) Funds and other accounts
1	Total number at end of year		
2	Aggregate contributions to (during year)		
3	Aggregate grants from (during year)		
4	Aggregate value at end of year		

5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? ☐ Yes ☐ No

6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds may be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit ☐ Yes ☐ No

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply)
☐ Preservation of land for public use (e g , recreation or pleasure)
☐ Preservation of an historically importantly land area
☐ Protection of natural habitat
☐ Preservation of a certified historic structure
☐ Preservation of open space

2 Complete lines 2a–2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year

		Held at the End of the Year
a	Total number of conservation easements	2a
b	Total acreage restricted by conservation easements	2b
c	Number of conservation easements on a certified historic structure included in (a)	2c
d	Number of conservation easements included in (c) acquired after 8/17/06	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the taxable year ▶ _____

4 Number of states where property subject to conservation easement is located ▶ _____

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? ☐ Yes ☐ No

6 Staff and volunteer hours devoted to monitoring, inspecting and enforcing conservation easements during the year ▶ _____

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ $ _____

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and 170(h)(4)(B)(ii)? ☐ Yes ☐ No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116, not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items

b If the organization elected, as permitted under SFAS 116, to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items

(i) Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

(ii) Assets included in Form 990, Part X ▶ $ _____

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 relating to these items

a Revenues included in Form 990, Part VIII, line 1 ▶ $ _____

b Assets included in Form 990, Part X ▶ $ _____

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets *(continued)*

3 Using the organization's accession and other records, check any of the following that are a significant use of its collection items (check all that apply)

- a ☐ Public exhibition
- b ☐ Scholarly research
- c ☐ Preservation for future generations
- d ☐ Loan or exchange programs
- e ☐ Other

4 Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV

5 During the year, did the organization solicit or receive donations of art, historical treasures or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? ☐ Yes ☐ No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

1a Is the organization an agent, trustee, custodian or other intermediary for contributions or other assets not included on Form 990, Part X? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV and complete the following table

		Amount
c Beginning balance	1c	
d Additions during the year	1d	
e Distributions during the year	1e	
f Ending balance	1f	

2a Did the organization include an amount on Form 990, Part X, line 21? ☐ Yes ☐ No

b If "Yes," explain the arrangement in Part XIV

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current Year	(b) Prior Year	(c) Two Years Back	(d) Three Years Back	(e) Four Years Back
1a Beginning of year balance					
b Contributions					
c Investment earnings or losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as

- a Board designated or quasi-endowment ▶
- b Permanent endowment ▶
- c Term endowment ▶

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by

		Yes	No
(i) unrelated organizations	3a(i)		
(ii) related organizations	3a(ii)		
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b		

4 Describe in Part XIV the intended uses of the organization's endowment funds

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of property	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land		4,308,291		4,308,291
b Buildings		138,448,419	71,800,426	66,647,993
c Leasehold improvements		133,514	29,888	103,626
d Equipment		179,094,973	127,626,171	51,468,802
e Other		9,982,362	5,085,481	4,896,881
Total. Add lines 1a-1e *(Column (d) should equal Form 990, Part X, column (B), line 10(c).)* ▶				127,425,593

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
Other		
Total. *(Column (b) should equal Form 990, Part X, col (B) line 12)* ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
Total. *(Column (b) should equal Form 990, Part X, col (B) line 13)* ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
Total. *(Column (b) should equal Form 990, Part X, col.(B) line 15.)* . . . . . ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1 (a) Description of Liability	(b) Amount
Federal Income Taxes	
Deferred Compensation Payable	158,412
Deferred Purchase - Long Term Portion	12,517
Asset Retirement Obligation	1,051,500
Accrued Property Tax - Long Term Portion	175,975
Total. *(Column (b) should equal Form 990, Part X, col (B) line 25)* ▶	1,398,404

2. Fin 48 (ASC 740) Footnote In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC740)

Part XI Reconciliation of Change in Net Assets from Form 990 to Financial Statements

1	Total revenue (Form 990, Part VIII, column (A), line 12)	1	
2	Total expenses (Form 990, Part IX, column (A), line 25)	2	
3	Excess or (deficit) for the year Subtract line 2 from line 1	3	
4	Net unrealized gains (losses) on investments	4	
5	Donated services and use of facilities	5	
6	Investment expenses	6	
7	Prior period adjustments	7	
8	Other (Describe in Part XIV)	8	
9	Total adjustments (net) Add lines 4 - 8	9	
10	Excess or (deficit) for the year per financial statements Combine lines 3 and 9	10	

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return

1	Total revenue, gains, and other support per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12				
a	Net unrealized gains on investments	2a			
b	Donated services and use of facilities	2b			
c	Recoveries of prior year grants	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part VIII, line 12, but not on line **1**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total Revenue Add lines **3** and **4c.** (This should equal Form 990, Part I, line 12)			5	

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return

1	Total expenses and losses per audited financial statements			1	
2	Amounts included on line 1 but not on Form 990, Part IX, line 25				
a	Donated services and use of facilities	2a			
b	Prior year adjustments	2b			
c	Other losses	2c			
d	Other (Describe in Part XIV)	2d			
e	Add lines **2a** through **2d**			2e	
3	Subtract line **2e** from line **1**			3	
4	Amounts included on Form 990, Part IX, line 25, but not on line **1:**				
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a			
b	Other (Describe in Part XIV)	4b			
c	Add lines **4a** and **4b**			4c	
5	Total expenses Add lines **3** and **4c.** (This should equal Form 990, Part I, line 18)			5	

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9, Part III, lines 1a and 4, Part IV, lines 1b and 2b, Part V, line 4, Part X, Part XI, line 8, Part XII, lines 2d and 4b, and Part XIII, lines 2d and 4b Also complete this part to provide any additional information

Identifier	Return Reference	Explanation

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SCHEDULE G (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information Regarding Fundraising or Gaming Activities

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than $15,000 on Form 990-EZ, line 6a.
Attach to Form 990 or Form 990-EZ. See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Wheeling Hospital Inc

Employer identification number
55-0357057

Part I Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17.

1 Indicate whether the organization raised funds through any of the following activities Check all that apply

- **a** ☐ Mail solicitations
- **b** ☐ Internet and e-mail solicitations
- **c** ☐ Phone solicitations
- **d** ☐ In-person solicitations
- **e** ☐ Solicitation of non-government grants
- **f** ☐ Solicitation of government grants
- **g** ☐ Special fundraising events

2a Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? ☐ **Yes** ☐ **No**

b If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least $5,000 by the organization Form 990-EZ filers are not required to complete this table

(i) Name and address of individual or entity (fundraiser)	**(ii)** Activity	**(iii)** Did fundraiser have custody or control of contributions?		**(iv)** Gross receipts from activity	**(v)** Amount paid to (or retained by) fundraiser listed in col **(i)**	**(vi)** Amount paid to (or retained by) organization
		Yes	**No**			
Total . . . . . ▶						

3 List all states in which the organization is registered or licensed to solicit funds or has been notified it is exempt from registration or licensing

Part II **Fundraising Events.** Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than $15,000 on Form 990-EZ, line 6a. List events with gross receipts greater than $5,000.

		(a) Event #1 Book Sale (event type)	(b) Event #2 Reverse Raffle (event type)	(c) Other Events 11 (total number)	(d) Total Events (Add col (a) through col (c))
Revenue	1 Gross receipts	47,197	41,163	106,482	194,842
	2 Less Charitable contributions				
	3 Gross income (line 1 minus line 2)	47,197	41,163	106,482	194,842
Direct Expenses	4 Cash prizes		3,250	2,300	5,550
	5 Non-cash prizes				
	6 Rent/facility costs				
	7 Food and beverages				
	8 Entertainment				
	9 Other direct expenses	42,587	5,268	178,092	225,947
	10 Direct expense summary Add lines 4 through 9 in column (d) ▶				(231,497)
	11 Net income summary Combine lines 3 and 10 in column (d) ▶				-36,655

Part III **Gaming.** Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than $15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/Instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (Add col (a) through col (c))
Revenue	1 Gross revenue				
Direct Expenses	2 Cash prizes				
	3 Non-cash prizes				
	4 Rent/facility costs				
	5 Other direct expenses				
	6 Volunteer labor	☐ Yes ☐ No	☐ Yes ☐ No	☐ Yes ☐ No	
	7 Direct expense summary Add lines 2 through 5 in column (d) ▶				( )
	8 Net gaming income summary Combine lines 1 and 7 in column (d) ▶				

9 Enter the state(s) in which the organization operates gaming activities _____

a Is the organization licensed to operate gaming activities in each of these states? ☐ Yes ☐ No

b If "No," Explain _____

10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? ☐ Yes ☐ No

b If "Yes," Explain _____

11 Does the organization operate gaming activities with nonmembers? . . . . . ☐ Yes ☐ No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? . . . . . ☐ Yes ☐ No

13 Indicate the percentage of gaming activity operated in

a	The organization's facility	**13a**	
b	An outside facility	**13b**	

14 Provide the name and address of the person who prepares the organization's gaming/special events books and records

Name ▶ ----------

Address ▶ ----------

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? . . . . . ☐ Yes ☐ No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ $ _____ and the amount of gaming revenue retained by the third party ▶ $ _____

c If "Yes," enter name and address

Name ▶ ----------

Address ▶ ----------

16 Gaming manager information

Name ▶ ----------

Gaming manager compensation ▶ $ ----------

Description of services provided ▶ ----------

☐ Director/officer ☐ Employee ☐ Independent contractor

17 Mandatory distributions

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? . . . . . ☐ Yes ☐ No

b Enter the amount of distributions required under state law distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ $

Part IV Complete this part to provide additional information for responses to question on Schedule G (see instructions.)

Identifier	ReturnReference	Explanation

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SCHEDULE H (Form 990)

Department of the Treasury
Internal Revenue Service

Hospitals

▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 20.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Wheeling Hospital Inc

Employer identification number
55-0357057

Part I Charity Care and Certain Other Community Benefits at Cost

			Yes	No
1a	Did the organization have a charity care policy? If "No," skip to question 6a	1a	Yes	
b	If "Yes," is it a written policy?	1b	Yes	
2	If the organization had multiple hospitals, indicate which of the following best describes application of the charity care policy to the various hospitals ☐ Applied uniformly to all hospitals ☐ Applied uniformly to most hospitals ☐ Generally tailored to individual hospitals			
3	Answer the following based on the charity care eligibility criteria that applies to the largest number of the organization's patients during the tax year			
a	Did the organization use Federal Poverty Guidelines (FPG) to determine eligibility for providing *free* care? If "Yes," indicate which of the following is the FPG family income limit for eligibility for free care ☐ 100% ☐ 150% ☑ 200% ☐ Other _____ %	3a	Yes	
b	Did the organization use FPG to determine eligibility for providing *discounted* care? If "Yes," indicate which of the following is the family income limit for eligibility for discounted care ☐ 200% ☐ 250% ☐ 300% ☐ 350% ☑ 400% ☐ Other _____ %	3b	Yes	
c	If the organization did not use FPG to determine eligibility, describe in Part VI the income based criteria for determining eligibility for free or discounted care Include in the description whether the organization uses an asset test or other threshold, regardless of income, to determine eligibility for free or discounted care			
4	Did the organization's policy provide free or discounted care to the "medically indigent"?	4		No
5a	Did the organization budget amounts for free or discounted care provided under its financial assistance policy during the tax year?	5a	Yes	
b	If "Yes," did the organization's charity care expenses exceed the budgeted amount?	5b		No
c	If "Yes" to line 5b, as a result of budget considerations, was the organization unable to provide free or discounted care to a patient who was eligibile for free or discounted care?	5c		
6a	Did the organization prepare a community benefit reportduring the tax year?	6a	Yes	
6b	If "Yes," did the organization make it available to the public?	6b	Yes	
	Complete the following table using the worksheets provided in the Schedule H instructions Do not submit these worksheets with the Schedule H			

7 Charity Care and Certain Other Community Benefits at Cost

Charity Care and Means-Tested Government Programs	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community benefit expense	(d) Direct offsetting revenue	(e) Net community benefit expense	(f) Percent of total expense
a Charity care at cost (from Worksheet 1)			4,737,644		4,737,644	1 750 %
b Medicaid (from Worksheet 3, column a)			35,023,752	22,447,139	12,576,613	4 650 %
c Costs of other means-tested government programs (from Worksheet 3, column b)						
d **Total** Charity Care and Means-Tested Government Programs			39,761,396	22,447,139	17,314,257	6 400 %
Other Benefits						
e Community health improvement services and community benefit operations (from (Worksheet 4)			563,558	11,514	552,044	0 200 %
f Health professions education (from Worksheet 5)			2,655,667	1,206,591	1,449,076	0 540 %
g Subsidized health services (from Worksheet 6)						
h Research (from Worksheet 7)						
i Cash and in-kind contributions for community benefit (from Worksheet 8)						
j **Total** Other Benefits			3,219,225	1,218,105	2,001,120	0 740 %
k **Total.** Add lines 7d and 7j			42,980,621	23,665,244	19,315,377	7 140 %

Part II Community Building Activities Complete this table if the organization conducted any community building activities.

	(a) Number of activities or programs (optional)	(b) Persons served (optional)	(c) Total community building expense	(d) Direct offsetting revenue	(e) Net community building expense	(f) Percent of total expense
1 Physical improvements and housing						
2 Economic development						
3 Community support						
4 Environmental improvements						
5 Leadership development and training for community members						
6 Coalition building						
7 Community health improvement advocacy						
8 Workforce development						
9 Other						
10 **Total**						

Part III Bad Debt, Medicare, & Collection Practices

Section A. Bad Debt Expense

				Yes	No
1	Did the organization report bad debt expense in accordance with Heathcare Financial Management Association Statement No 15?		1		No
2	Enter the amount of the organization's bad debt expense	2	6,245,283		
3	Enter the estimated amount of the organization's bad debt expense attributable to patients eligible under the organization's charity care policy	3	117,114		
4	Provide in Part VI the text of the footnote to the organization's financial statements that describes bad debt expense In addition, describe the costing methodology used in determining the amounts reported on lines 2 and 3, and rationale for including a portion of bad debt amounts as community benefit				

Section B. Medicare

5	Enter total revenue received from Medicare (including DSH and IME)	5	41,318,618		
6	Enter Medicare allowable costs of care relating to payments on line 5	6	55,876,654		
7	Subtract line 6 from line 5 This is the surplus or (shortfall)	7	-14,558,036		
8	Describe in Part VI the extent to which any shortfall reported in line 7 should be treated as community benefit Also describe in Part VI the costing methodology or source used to determine the amount reported on line 6 Check the box that describes the method used				

☐ Cost accounting system ☑ Cost to charge ratio ☐ Other

Section C. Collection Practices

9a	Did the organization have a written debt collection policy during the tax year?	9a	Yes	
b	If "Yes," did the organization's collection policy that applied to the largest number of its patients during the tax year contain provisions on the collection practices to be followed for patients who are known to qualify for financial assistance? Describe in Part VI	9b	Yes	

Part IV Management Companies and Joint Ventures (see instructions)

	(a) Name of entity	(b) Description of primary activity of entity	(c) Organization's profit % or stock ownership %	(d) Officers, directors, trustees, or key employees' profit % or stock ownership%	(e) Physicians' profit % or stock ownership %
1	1 Wheeling Renal Care LLC	Specialty O/P facility	50 000 %	0 %	50 000 %
2					
3					
4					
5					
6					
7					
8					
9					
10					
11					
12					
13					

Part V Facility Information

Section A. Hospital Facilities

(list in order of size from largest to smallest)

How many hospital facilities did the organization operate during the tax year? 1

	Name and address	Licensed hospital	General medical & surgical	Children's hospital	Teaching hospital	Critical access hospital	Research facility	ER-24 hours	ER-other	Other (Describe)
1	Wheeling Hospital Inc 1 Medical Park Wheeling, WV 26003	X	X		X			X		

Part V Facility Information *(continued)*

Section B. Facility Policies and Practices.

(Complete a separate Section B for each of the hospital facilities listed in Part V, Section A)

Name of Hospital Facility: Wheeling Hospital Inc

Line Number of Hospital Facility (from Schedule H, Part V, Section A): 1

		Yes	No
Community Health Needs Assessment (Lines 1 through 7 are optional for 2011)			
1 During the tax year or any prior tax year, did the hospital facility conduct a community health needs assessment ("Needs Assessment")? If "No," skip to question 8	**1**		
If "Yes," indicate what the Needs Assessment describes (check all that apply)			
a ☐ A definition of the community served by the hospital facility			
b ☐ Demographics of the community			
c ☐ Existing health care facilities and resources within the community that are available to respond to the health needs of the community			
d ☐ How data was obtained			
e ☐ The health needs of the community			
f ☐ Primary and chronic disease needs and other health issues of uninsured persons, low-income persons, and minority groups			
g ☐ The process for identifying and prioritizing community health needs and services to meet those needs			
h ☐ The process for consulting with persons representing the community's interests			
i ☐ Information gaps that limit the hospital facility's ability to assess the community's health needs			
j ☐ Other (describe in Part VI)			
2 Indicate the tax year the hospital facility last conducted a Needs Assessment 20 ___			
3 In conducting its most recent Needs Assessment, did the hospital facility take into account input from persons who represent the community served by the hospital facility? If "Yes," describe in Part VI how the hospital facility took into account input from persons who represent the community, and identify the persons the hospital facility consulted	**3**		
4 Was the hospital facility's Needs Assessment conducted with one or more other hospital facilities? If "Yes," list the other hospital facilities in Part VI	**4**		
5 Did the hospital facility make its Needs Assessment widely available to the public?	**5**		
If "Yes," indicate how the Needs Assessment was made widely available (check all that apply)			
a ☐ Hospital facility's website			
b ☐ Available upon request from the hospital facility			
c ☐ Other (describe in Part VI)			
6 If the hospital facility addressed needs identified in its most recently conducted Needs Assessment, indicate how (check all that apply)			
a ☐ Adoption of an implementation strategy to address the health needs of the hospital facility's community			
b ☐ Execution of the implementation strategy			
c ☐ Development of a community-wide community benefit plan for the facility			
d ☐ Participation in community-wide community benefit plan			
e ☐ Inclusion of a community benefit section in operational plans			
f ☐ Adoption of a budget for provision of services that address the needs identified in the CHNA			
g ☐ Prioritization of health needs in the community			
h ☐ Prioritization of services that the hospital facility will undertake to meet health needs in its community			
i ☐ Other (describe in Part VI)			
7 Did the hospital facility address all of the needs identified in its most recently conducted Needs Assessment? If "No," explain in Part VI which needs it has not addressed together with the reasons why it has not addressed such needs	**7**		
Financial Assistance Policy			
Did the hospital facility have in place during the tax year a written financial assistance policy that			
8 Explains eligibility criteria for financial assistance, and whether such assistance includes free or discounted care?	**8**	Yes	
9 Used federal poverty guidelines (FPG) to determine eligibility for providing free care?	**9**	Yes	
If "Yes," indicate the FPG family income limit for eligibility for free care 200 000000000000%			
If "No," explain in Part VI the criteria the hospital facility used			

Part V Facility Information *(continued)*

			Yes	No
10	Used FPG to determine eligibility for providing discounted care?	10	Yes	
	If "Yes," indicate the FPG family income limit for eligibility for discounted care 400 000000000000%			
	If "No," explain in Part VI the criteria the hospital facility used			
11	Explained the basis for calculating amounts charged to patients?	11	Yes	
	If "Yes," indicate the factors used in determining such amounts (check all that apply)			
	a ☑ Income level			
	b ☐ Asset level			
	c ☑ Medical indigency			
	d ☑ Insurance status			
	e ☐ Uninsured discount			
	f ☑ Medicaid/Medicare			
	g ☑ State regulation			
	h ☐ Other (describe in Part VI)			
12	Explained the method for applying for financial assistance?	12	Yes	
13	Included measures to publicize the policy within the community served by the hospital facility?	13	Yes	
	If "Yes," indicate how the hospital facility publicized the policy (check all that apply)			
	a ☐ The policy was posted at all times on the hospital facility's web site			
	b ☐ The policy was attached to all billing invoices			
	c ☐ The policy was posted in the hospital facility's emergency rooms or waiting rooms			
	d ☐ The policy was posted in the hospital facility's admissions offices			
	e ☐ The policy was provided, in writing, to patients upon admission to the hospital facility			
	f ☑ The policy was available upon request			
	g ☑ Other (describe in Part VI)			

Billing and Collections

14	Did the hospital facility have in place during the tax year a separate billing and collections policy, or a written financial assistance policy (FAP) that explained actions the hospital facility may take upon non-payment?	14	Yes	
15	Check all of the following collection actions against an individual that were permitted under the hospital facility's policies during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP			
	a ☑ Reporting to credit agency			
	b ☑ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments or arrests			
	e ☐ Other similar actions (describe in Part VI)			
16	Did the hospital facility or an authorized third party perform any of the following actions during the tax year before making reasonable efforts to determine the patient's eligibility under the facility's FAP?	16	Yes	
	If "Yes," check all actions in which the hospital facility or a third party engaged			
	a ☑ Reporting to credit agency			
	b ☑ Lawsuits			
	c ☐ Liens on residences			
	d ☐ Body attachments			
	e ☐ Other similar actions (describe in Part VI)			
17	Indicate which efforts the hospital facility made before initiating any of the actions checked in question 16 (check all that apply)			
	a ☐ Notified patients of the financial assistance policy upon admission			
	b ☐ Notified patients of the financial assistance policy prior to discharge			
	c ☐ Notified patients of the financial assistance policy in communications with the patients regarding the patients' bills			
	d ☐ Documented its determination of whether patients were eligible for financial assistance under the hospital facility's financial assistance policy			
	e ☐ Other (describe in Part VI)			

Part V Facility Information *(continued)*

Policy Relating to Emergency Medical Care

		Yes	No
18 Did the hospital facility have in place during the tax year a written policy relating to emergency medical care that requires the hospital facility to provide, without discrimination, care for emergency medical conditions to individuals regardless of their eligibility under the hospital facility's financial assistance policy?	**18**	Yes	
If "No," indicate why			
a ☐ The hospital facility did not provide care for any emergency medical conditions			
b ☐ The hospital facility's policy was not in writing			
c ☐ The hospital facility limited who was eligible to receive care for emergency medical conditions (describe in Part VI)			
d ☐ Other (describe in Part VI)			

Individuals Eligible for Financial Assistance

19 Indicate how the hospital facility determined, during the tax year, the maximum amounts that can be charged to FAP-eligible individuals for emergency or other medically necessary care			
a ☐ The hospital facility used its lowest negotiated commercial insurance rate when calculating the maximum amounts that can be charged			
b ☐ The hospital facility used the average of it's three lowest negotiated commercial insurance rates when calculating the maximum amounts that can be charged			
c ☐ The hospital facility used the Medicare rates when calculating the maximum amounts that can be charged			
d ☐ Other (describe in Part VI)			
20 Did the hospital facility charge any of its patients who were eligible for assistance under the hospital facility's financial assistance policy, and to whom the hospital facility provided emergency or other medically necessary services, more than the amounts generally billed to individuals who had insurance covering such care?	**20**		No
If "Yes," explain in Part VI			
21 Did the hospital facility charge any of its FAP-eligible patients an amount equal to the gross charge for services provided to that patient?	**21**		No
If "Yes," explain in Part VI			

Part V Facility Information *(continued)*

Section C. Other Facilities That Are Not Licensed, Registered, or Similarly Recognized as a Hospital Facility
(list in order of size from largest to smallest)

How many non-hospital facilities did the organization operate during the tax year? **2**

	Name and address	Type of Facility (Describe)
1	Continuous Care Center PO Box 6316 Wheeling, WV 26003	Skilled Nursing Facility
2	Wheeling Renal Care LLC 500 Medical Park Suite 100 Wheeling, WV 26003	Specialty O/P Facility
3		
4		
5		
6		
7		
8		
9		
10		

Part VI Supplemental Information

Complete this part to provide the following information

1 **Required descriptions.** Provide the descriptions required for Part I, lines 3c, 6a, and 7, Part II, Part III, lines 4, 8, and 9b, and Part V, Section B, lines 1j, 3, 4, 5c, 6i, 7, 9, 10, 11h, 13g, 15e, 16e, 17e, 18d, 19d, 20, and 21

2 **Community health needs assessment.** Describe how the organization assesses the health care needs of the communities it serves, in addition to any community health needs assessments reported in Part V, Section B

3 **Patient education of eligibility for assistance.** Describe how the organization informs and educates patients and persons who may be billed for patient care about their eligibility for assistance under federal, state, or local government programs or under the organization's financial assistance policy

4 **Community information.** Describe the community the organization serves, taking into account the geographic area and demographic constituents it serves

5 **Promotion of community health.** Provide any other information important to describing how the organization's hospital facilities or other health care facilities further its exempt purpose by promoting the health of the community (e g , open medical staff, community board, use of surplus funds, etc)

6 **Affiliated health care system.** If the organization is part of an affiliated health care system, describe the respective roles of the organization and its affiliates in promoting the health of the communities served

7 **State filing of community benefit report.** If applicable, identify all states with which the organization, or a related organization, files a community benefit report

Identifier	ReturnReference	Explanation
		Part I, Line 6a The hospital files a separate community benefit report with the West Virginia Healthcare Authority

Identifier	ReturnReference	Explanation
		Part I, L7 Col(f) $14,602,018 of bad debt expense was included on Form 990, Part IX, Line 25, column (A), but was subtracted for purposes of calculating the percentage in column f

Identifier	ReturnReference	Explanation
		Part I, Line 2 Wheeling Hospital will accept applications for financial assistance and charity care from any person at any time All hospital accounts for inpatient, outpatient, emergency room services, professional services of employed physicians and prescription drugs on an acute/emergent basis are eligible for financial assistance and charity care Patients must submit a denial of coverage letter from Medicaid or Veteran's Outreach Center in order to be eligible for charity care Those applicants who fail to submit a Medicaid or Veteran's Outreach Center denial, and are at or below 200% of the Federal Poverty Guidelines, will be eligible for a 65% discount based on their financial situation Once a patient has provided sufficient documentation to prove financial status, eligibility is determined by referencing the Financial Assistance/Charity Care Matrix, which is based on the Federal Poverty Guidelines for the most current year available as issued by the Department of Health and Human Services A patient shall be notified in writing of approval or denial of financial assistance/charity care Those approved applicants who are at or below 200% of the Federal Poverty Guidelines and have provided the required documentation are eligible to receive Charity Care Those approved applicants who are between 201% and 400% of the Federal Poverty Guidelines are eligible to receive a percentage discount up to 65% after complete analysis and approval of the CFO or his designee Applicants at or below 200% of the Federal Poverty Guidelines, who fail to provide all required documentation, will be considered for financial assistance based on their financial situation

Identifier	ReturnReference	Explanation
		Part II Community Building Activities is not applicable to this organization

Identifier	ReturnReference	Explanation
		Part III, Line 4 Wheeling Hospital does not have separate audited financial statements The bad debt reflected on the financial statements is the gross amount of the accounts deemed uncollectible This would be for accounts that have had no payment for 60 days and have had a minimum of five statements produced Therefore, the bad debt amounts would be after any discounts or patient payments have been applied The ratio from Worksheet 2 of the Schedule H instructions was used This ratio was applied to the total bad debt expense included on Form 990, Part IX, Line 25, column (A) The estimated amount of bad debt expense that could reasonably be attributable to patients who likely would qualify for financial assistance under the Hospital's Charity Care Policy was calculated by applying the percentage of charity care to gross patient revenue to the total bad debt expense at cost

Identifier	ReturnReference	Explanation
		Part III, Line 8 The costs reflected in line 6 are the allowable costs from Worksheet D-1 of the 9/30/12 CMS cost report None of the shortfall on line 7 is treated as community benefit Despite the fact that the program serves all elderly and disabled beneficiaries and could represent community benefit, it is not treated as community benefit to be consistent with the presentation of the consolidated audited financial statements

Identifier	ReturnReference	Explanation
		Part III, Line 9b Wheeling Hospital's collection policy has been established to defray the costs of medically necessary services for those patients who meet certain guidelines and have no other medical funding sources Inpatient, outpatient, emergency room services, professional services of employed physicians and prescription drugs on an acute/emergent basis are eligible for financial assistance/charity care The Financial Assistance/Charity Care application must be signed by the applicant attesting to the truthfulness and accuracy of the information provided Certain denial letters are required in order to be eligible for charity care Eligibility is determined by referencing the Financial Assistance/Charity Care Matrix, which is based on the Federal Poverty Guidelines for the most current year available Those approved applicants who are at or below 200% of the Federal Poverty Guidelines and have provided the required documentation are eligible to receive charity care, and those who are from 201% to 400% of those limits are eligible for discounts

Identifier	ReturnReference	Explanation
Wheeling Hospital, Inc		Part V, Section B, Line 13g In addition to providing the full FAP upon request, a summary is posted in the hospital facility's emergency rooms and waiting rooms

Identifier	ReturnReference	Explanation
Wheeling Hospital, Inc		Part V, Section B, Line 19d The Hospital charges the same amount to all patients, irrespective of their financial status

Identifier	ReturnReference	Explanation
		Part VI, Line 2 Wheeling Hospital engaged Arnett & Foster to perform a formal needs assessment to assess the health care needs for the community that it serves This assessment was completed and dated December 2012 and will be included for fiscal year ending September 30, 2013

Identifier	ReturnReference	Explanation
		Part VI, Line 3 If the patient has a scheduled procedure and has been pre-registered as self pay, they are directed to the financial counselor, where payment arrangements and discounts/charity are discussed if applicable Self pay patients are seen by Medical Advocacy Services for Healthcare (MASH), screened for Medicare and Medicaid, and if not eligible for any programs, they supply them with the Charity Form and explain it to them Self pay accounts over $500 are screened by the MASH service offsite for government program eligibility Once an account drops to billing, the credit/collection staff gets that account and research for other accounts, noting insurance or charity If nothing prior, the patient is called to discuss payment/charity as applicable

Identifier	ReturnReference	Explanation
		Part VI, Line 4 Wheeling Hospital predominantly services the Wheeling Metropolitan Statistical Area The primary services area includes one county in the Northern Panhandle of West Virginia (Ohio County) and one county in Ohio (Belmont County), with a total population of approximately 114,000 The racial makeup of the MSA as of the 2011 census was 93 3% white, 3 8% African American, 0 8% Asian, 0 2% Native American, with the remainder from other races or a combination of two or more races The median household income for 2011 was approximately $41,000, while the median household income for the United States was approximately $52,762 The below poverty level percentage for 2011 was approximately 15 4%, while the below poverty level percentage was approximately 14 3% for the United States

Identifier	ReturnReference	Explanation
		Part VI, Line 5 A majority of the hospital's board members are residents of the primary service area and are neither employees nor contractors of the hospital In addition, the hospital extends medical staff privileges to any qualified physician in the community

Identifier	ReturnReference	Explanation
		Part VI, Line 6 Wheeling Hospital, Inc (the "Hospital") was created by an Act of the Virginia Assembly in 1850 Currently, the Hospital operates and exists under the laws of West Virginia as a not-for-profit corporation Under its corporate charter, the Hospital is operated, supervised, and controlled by the Roman Catholic Church of the United States of America through the Diocese of Wheeling/Charleston The Hospital consists of the Wheeling Hospital Division, a full-service regional teaching hospital offering a wide range of medical and surgical services on an inpatient and outpatient basis, and the Bishop Joseph H Hodges Continuous Care Center (CCC) Division, housing a 120-bed skilled and intermediate care center The Hospital also operates a group of primary care and multispecialty physicians practicing at the Hospital (the "Physician Practice Division") as a department of the Hospital The Hospital is also the sole member of Belmont Community Hospital, Inc , ("Belmont Hospital") located in Bellaire, Ohio In addition, in October 2006, the Hospital and various West Virginia physicians formed a captive insurance company called Mountaineer Freedom Risk Retention Group Inc ("MFRRG") The Hospital is a 97% owner in this entity while the Physicians have a 3% noncontrolling interest The terms of the by-laws provide that distributions, whether on a regular basis or upon dissolution, will be allocated based on the capital contributions the respective owners have made to MFRRG The Medical Park Foundation (the "Foundation") raises contributions solely for the use of the Hospital controlled entities The purpose of the Foundation is to cultivate philanthropic support for patient-care services, improve hospital facilities, support the uncompensated care program, and support community outreach programs The Hospital is the sole member of the Foundation In August 2010, Wheeling Hospital formed two holding companies, WH Holdings I, LLC and WH Holdings II, Inc WH Holdings I, LLC is a taxable limited liability company, while WH Holdings II, Inc is a non-profit corporation These companies may be used for any future endeavors that might be undertaken by the Hospital separate from the United States Department of Housing and Urban Development (HUD) - insured mortgage Capitalization for these holding companies will be derived, as necessary, from assets excluded from the HUD-insurance mortgage At September 30, 2012, WH Holdings II, Inc had both assets and activity related to the purchase of the Mt DeChantal property At September 30, 2012, there were neither assets nor activity for WH Holdings I, LLC

Identifier	ReturnReference	Explanation
Reports Filed With States	Part VI, Line 7	WV

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Schedule I (Form 990)

Department of the Treasury
Internal Revenue Service

Grants and Other Assistance to Organizations, Governments and Individuals in the United States

Complete if the organization answered "Yes," to Form 990, Part IV, line 21 or 22.

▶ **Attach to Form 990**

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Wheeling Hospital Inc

Employer identification number
55-0357057

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? . . . . . ☑ Yes ☐ No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States

Part II Grants and Other Assistance to Governments and Organizations in the United States.

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 for any recipient that received more than $5,000. Check this box if no one recipient received more than $5,000. Use Part IV and Schedule I-1 (Form 990) if additional space is needed . . . . . ▶ ☐

(a) Name and address of organization or government	(b) EIN	(c) IRC Code section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Wheeling Jesuit University216 Washington Avenue Wheeling, WV 26003	55-0394213	Section 501(c)(3)	600,000				Enhancement of the Nursing Education program at Wheeling Jesuit University

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table . . . . . ▶ 1

3 Enter total number of other organizations listed in the line 1 table . . . . . ▶ 0

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Use Schedule I-1 (Form 990) if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

Identifier	Return Reference	Explanation
Procedure for Monitoring Grants in the U S	Part I, Line 2	Schedule I, Part I, Line 2 As is the case with most hospitals in the United States, Wheeling Hospital struggles to maintain a steady flow of well-educated nurses from the local area to replace outgoing nurses who are retiring or relocating To that end, senior management from Wheeling Hospital conducted several meetings with Wheeling Jesuit University administration to discuss various benchmarks and goals aimed at strengthening and adding depth to the nursing education program at Wheeling Jesuit University In order to help foster this goal, Wheeling Hospital agreed to donate $600,000 to Wheeling Jesuit University Specific stipulations were not made by Wheeling Hospital, however, the mutual agreement between the parties was that Wheeling Jesuit would use the funds to make improvements to their nursing education program in order to better serve Wheeling Hospital's ongoing needs for well-trained nurses An excerpt from the Wheeling Hospital Board Minutes dated July 26, 2011 is attached as evidence that this decision brought to the Board of Directors Wheeling Hospital administration continues to meet with Wheeling Jesuit University administration regarding various aspects of the nursing education program Note Although the minutes state that the funds would be disbursed over 5 quarters, in fact the initial payment was delayed for several months and the full $600,000 was paid during Wheeling Hospital's 2012 fiscal year

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Schedule J (Form 990)

Department of the Treasury
Internal Revenue Service

Compensation Information

For certain Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees
▶ Complete if the organization answered "Yes" to Form 990, Part IV, question 23.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Wheeling Hospital Inc

Employer identification number
55-0357057

Part I Questions Regarding Compensation

			Yes	No
1a	Check the appropiate box(es) if the organization provided any of the following to or for a person listed in Form 990, Part VII, Section A, line 1a Complete Part III to provide any relevant information regarding these items			
	☐ First-class or charter travel	☑ Housing allowance or residence for personal use		
	☐ Travel for companions	☐ Payments for business use of personal residence		
	☐ Tax idemnification and gross-up payments	☐ Health or social club dues or initiation fees		
	☐ Discretionary spending account	☐ Personal services (e g , maid, chauffeur, chef)		
b	If any of the boxes in line 1a are checked, did the organization follow a written policy regarding payment or reimbursement orprovision of all the expenses described above? If "No," complete Part III to explain	**1b**	Yes	
2	Did the organization require substantiation prior to reimbursing or allowing expenses incurred by all officers, directors, trustees, and the CEO/Executive Director, regarding the items checked in line 1a?	**2**	Yes	
3	Indicate which, if any, of the following the organization uses to establish the compensation of the organization's CEO/Executive Director Check all that apply			
	☑ Compensation committee	☑ Written employment contract		
	☑ Independent compensation consultant	☑ Compensation survey or study		
	☑ Form 990 of other organizations	☑ Approval by the board or compensation committee		
4	During the year, did any person listed in Form 990, Part VII, Section A, line 1a with respect to the filing organization or a related organization			
a	Receive a severance payment or change-of-control payment?	**4a**		No
b	Participate in, or receive payment from, a supplemental nonqualified retirement plan?	**4b**		No
c	Participate in, or receive payment from, an equity-based compensation arrangement?	**4c**		No
	If "Yes" to any of lines 4a-c, list the persons and provide the applicable amounts for each item in Part III			
	Only 501(c)(3) and 501(c)(4) organizations only must complete lines 5-9.			
5	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the revenues of			
a	The organization?	**5a**	Yes	
b	Any related organization?	**5b**		No
	If "Yes," to line 5a or 5b, describe in Part III			
6	For persons listed in form 990, Part VII, Section A, line 1a, did the organization pay or accrue any compensation contingent on the net earnings of			
a	The organization?	**6a**	Yes	
b	Any related organization?	**6b**		No
	If "Yes," to line 6a or 6b, describe in Part III			
7	For persons listed in Form 990, Part VII, Section A, line 1a, did the organization provide any non-fixed payments not described in lines 5 and 6? If "Yes," describe in Part III	**7**		No
8	Were any amounts reported in Form 990, Part VII, paid or accured pursuant to a contract that was subject to the initial contract exception described in Regs section 53 4958-4(a)(3)? If "Yes," describe in Part III	**8**		No
9	If "Yes" to line 8, did the organization also follow the rebuttable presumption procedure described in Regulations section 53 4958-6(c)?	**9**		

Part II Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees. Use Schedule J-1 if additional space needed.

For each individual whose compensation must be reported in Schedule J, report compensation from the organization on row (i) and from related organizations, described in the instructions on row (ii) Do not list any individuals that are not listed on Form 990, Part VII

Note. The sum of columns (B)(i)-(iii) for each listed individual must equal the total amount of Form 990, Part VII, Section A, line 1a, columns (D) and (E) for that individual

(A) Name		(B) Breakdown of W-2 and/or 1099-MISC compensation			(C) Retirement and other deferred compensation	(D) Nontaxable benefits	(E) Total of columns (B)(i)-(D)	(F) Compensation reported in prior Form 990 or Form 990-EZ
		(i) Base compensation	(ii) Bonus & incentive compensation	(iii) Other reportable compensation				
(1) Ronald L Violi Sch J L	(i)	0	0	0	0	0		0
	(ii)	0	0	0	0	0		0
(2) Michael S McKeets	(i)	173,528	20,101	0	12,901	7,575	214,105	0
	(ii)	0	0	0	0	0	0	0
(3) James B Murdy	(i)	225,166	30,254	0	16,079	31,696	303,195	0
	(ii)	0	0	0	0	0	0	0
(4) Patricia Liebman	(i)	369,045	101	14,135	10,535	20,430	414,246	0
	(ii)	0	0	0	0	0	0	0
(5) Angelo Georges MD	(i)	500,577	101	0	8,085	32,360	541,123	0
	(ii)	0	0	0	0	0	0	0
(6) Dennis Niess MD	(i)	245,387	30,254	0	13,464	15,351	304,456	0
	(ii)	0	0	0	0	0	0	0
(7) David Rapp	(i)	186,256	40,101	0	9,767	25,759	261,883	0
	(ii)	0	0	0	0	0	0	0
(8) Cinda Marsh	(i)	170,672	10,101	0	0	9,408	190,181	0
	(ii)	0	0	0	0	0	0	0
(9) Chandra S Swamy	(i)	532,798	639,411	0	10,535	17,941	1,200,685	0
	(ii)	0	0	0	0	0	0	0
(10) Jessica Ybanez-Morano	(i)	741,153	69,743	0	10,780	34,861	856,537	0
	(ii)	0	0	0	0	0	0	0
(11) Gregory S Merrick	(i)	1,168,295	18,101	0	2,200	3,301	1,191,897	0
	(ii)	0	0	0	0	0	0	0
(12) Ahmad Rahbar	(i)	513,011	336,156	0	10,402	4,875	864,444	0
	(ii)	0	0	0	0	0	0	0
(13) Jondavid Pollock	(i)	1,094,429	101	0	2,123	3,299	1,099,952	0
	(ii)	0	0	0	0	0	0	0
(14) Robert Coram	(i)	76,021	101	0	492	8,580	85,194	0
	(ii)	0	0	0	0	0	0	0
(15) Susan Falbo	(i)	126,028	0	0	0	354	126,382	0
	(ii)	0	0	0	0	0	0	0

Part III Supplemental Information

Complete this part to provide the information, explanation, or descriptions required for Part I, lines 1a, 1b, 4c, 5a, 5b, 6a, 6b, 7, and 8 Also complete this part for any additional information

Identifier	Return Reference	Explanation
	Part I, Line 1a	Rent paid for Ron Violi, "Chief Executive Officer" in the amount of $11,370 Rent is paid because he lives over 60 miles from the Wheeling Hospital, Inc Campus and his duties often require late hours Rent also paid on behalf of Patricia Liebman in the amount of $14,135 This is for the convenience of Wheeling Hospital, Inc
	Part I, Line 5	Dr Swamy and Dr Rahbar's incentives are based on a percentage of net revenue Dr Morano's incentive is based on the greater of net revenue or cash receipts
	Part I, Line 6	Dr Rahbar and Dr Morano's incentives are based on a percentage of net income
Supplemental Information	Part III	Form 990, Part VII, Section A, Line 5 R & V Associates, a business consulting firm, provides services to Wheeling Hospital, Inc which include a management contract to manage the facility Of the total amount paid to R & V Associates reported on Form 990, Part VII, Section B, $1,155,000 is allocated to the agreement to provide Mr Violi's services as "Chief Executive Officer", reported on this Form 990 in Part VII, Section A and on Schedule J, Part II The amounts are paid to R & V Associates and not to Mr Violi Mr Violi is a principal and one of the managing directors of that firm

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Schedule L (Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Transactions with Interested Persons

▶ Complete if the organization answered "Yes" on Form 990, Part IV, lines 25a, 25b, 26, 27, 28a, 28b, or 28c, or Form 990-EZ, Part V lines 38a or 40b.
▶ Attach to Form 990 or Form 990-EZ. ▶See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Wheeling Hospital Inc

Employer identification number
55-0357057

Part I Excess Benefit Transactions (section 501(c)(3) and section 501 (c)(4) organizations only).

Complete if the organization answered "Yes" on Form 990, Part IV, line 25a or 25b, or Form 990-EZ, Part V, line 40b

1 (a) Name of disqualified person	(b) Description of transaction	(c) Corrected? Yes	(c) Corrected? No

2 Enter the amount of tax imposed on the organization managers or disqualified persons during the year under section 4958 . . . . . ▶ $

3 Enter the amount of tax, if any, on line 2, above, reimbursed by the organization . . . . . ▶ $

Part II Loans to and/or From Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 26, or Form 990-EZ, Part V, line 38a

(a) Name of interested person and purpose	(b) Loan to or from the organization? To	(b) From	(c) Original principal amount	(d) Balance due	(e) In default? Yes	(e) No	(f) Approved by board or committee? Yes	(f) No	(g) Written agreement? Yes	(g) No
Total . . . . . ▶ $										

Part III Grants or Assistance Benefitting Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 27.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of grant or type of assistance

Part IV Business Transactions Involving Interested Persons.

Complete if the organization answered "Yes" on Form 990, Part IV, line 28a, 28b, or 28c.

(a) Name of interested person	(b) Relationship between interested person and the organization	(c) Amount of transaction	(d) Description of transaction	(e) Sharing of organization's revenues?	
				Yes	No
(1) Valerie Satkoske	Daughter of "CEO"	99,556	Payments - Employee Compensation		No
(2) Scott Satkoske	Son-in-law of "CEO"	136,823	Payments - Employee Compensation		No
(3) R & V Associates	"CEO" is principal	3,071,545	Payments - R & V Associates include compensation payments for "CEO" services of Ronald Violi, for other consulting services including services of Mr Violi other than in his capacity as "CEO", and for expense reimbursements		No

Part V Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule L (see instructions)

Identifier	Return Reference	Explanation
Part IV, Line 3	Explanation of Relationship/Transaction with R & V Associates	R & V Associates is an independent business consulting firm that provides services to Wheeling Hospital (the "Hospital") Mr Violi is a principal and one of the managing directors of that consulting firm Mr Violi receives all compensation for his services at the Hospital in the amount of $1,155,000 directly from R & V Associates, and not from the Hospital Although Mr Violi currently serves as acting "CEO" of the Hospital, he does so through his affiliation with R & V Associates and not through any direct employment relationship with the Hospital The compensation paid to R & V Associates by the Hospital is established by an independent Ad Hoc Committee of the Board of Directors of the Hospital It is the practice of this Ad Hoc Committee to conduct its deliberations in full compliance with the established procedures under Section 4958 of the Internal Revenue Code of 1986, as amended, and with the settled purpose of establishing a rebuttable presumption of reasonableness with respect to the compensation paid to R & V Associates Additionally, the Ad Hoc Committee has sole authority over the retention and discharge of R & V Associates, and Mr Violi, as acting "CEO" has no authority over such retention or any other aspect of that engagement The payments to R & V Associates include compensation payments for Mr Violi, expense reimbursement, and other consulting services

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SCHEDULE M (Form 990)

Department of the Treasury
Internal Revenue Service

NonCash Contributions

▶Complete if the organization answered "Yes" on Form 990, Part IV, lines 29 or 30.
▶ Attach to Form 990.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Wheeling Hospital Inc

Employer identification number
55-0357057

Part I Types of Property

	(a) Check if applicable	(b) Number of Contributions or items contributed	(c) Contribution amounts reported on Form 990, Part VIII, line 1g	(d) Method of determining contribution amounts
1 Art—Works of art				
2 Art—Historical treasures				
3 Art—Fractional interests				
4 Books and publications				
5 Clothing and household goods				
6 Cars and other vehicles				
7 Boats and planes				
8 Intellectual property				
9 Securities—Publicly traded				
10 Securities—Closely held stock				
11 Securities—Partnership, LLC, or trust interests				
12 Securities—Miscellaneous				
13 Qualified conservation contribution—Historic structures				
14 Qualified conservation contribution—Other				
15 Real estate—Residential				
16 Real estate—Commercial				
17 Real estate—Other				
18 Collectibles				
19 Food inventory				
20 Drugs and medical supplies				
21 Taxidermy				
22 Historical artifacts				
23 Scientific specimens				
24 Archeological artifacts				
25 Other ▶ (Equipment)	X	1	10,709	Other - Donated Use
26 Other ▶ (Other Equip)	X	12	31,797	Other - Donated Use
27 Other ▶( )				
28 Other ▶ ( )				

29 Number of Forms 8283 received by the organization during the tax year for contributions for which the organization completed Form 8283, Part IV, Donee Acknowledgement . . . | 29 | 0

		Yes	No
30a	During the year, did the organization receive by contribution any property reported in Part I, lines 1-28 that it must hold for at least three years from the date of the initial contribution, and which is not required to be used for exempt purposes for the entire holding period?		No
b	If "Yes," describe the arrangement in Part II		
31	Does the organization have a gift acceptance policy that requires the review of any non-standard contributions?	Yes	
32a	Does the organization hire or use third parties or related organizations to solicit, process, or sell non-cash contributions?		No
b	If "Yes," describe in Part II		
33	If the organization did not report revenues in column (c) for a type of property for which column (a) is checked, describe in Part II		

Part II

Supplemental Information. Complete this part to provide the information required by Part I, lines 30b, 32b, and 33. Also complete this part for any additional information.

Identifier	Return Reference	Explanation
Method for Determining Number of Contributors	Part I, Column (b)	The numbers that appear in column b represent the number of items contributed

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SCHEDULE O
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

Supplemental Information to Form 990 or 990-EZ

Complete to provide information for responses to specific questions on Form 990 or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Wheeling Hospital Inc

Employer identification number
55-0357057

Identifier	Return Reference	Explanation
	Form 990, Part VI, Section A, line 2	The Very Reverend Kevin M Quirk is the assistant to the Most Reverend Michael J Bransfield, Bishop of the Diocese of Wheeling-Charleston
	Form 990, Part VI, Section A, line 3	Ronald L Violi, "CEO" of Wheeling Hospital, Inc , is not an employee of Wheeling Hosptial, Inc Ronald L Violi is a 50% partner in R & V Associates, a consulting firm which Wheeling Hospital, Inc contracts with for consulting and management services
	Form 990, Part VI, Section A, line 6	Wheeling Hospital has a single member, The Most Reverend Michael J Bransfield, Bishop of the Diocese of Wheeling-Charleston
	Form 990, Part VI, Section A, line 7a	Wheeling Hospital has a single member, The Most Reverend Michael J Bransfield, Bishop of the Diocese of Wheeling-Charleston, who has the ability to elect members of the governing body of Wheeling Hospital
	Form 990, Part VI, Section B, line 11	Following completion of the Form 990 by the Wheeling Hospital tax preparer, the Form 990 is reviewed by internal personnel and the executive team prior to filing
	Form 990, Part VI, Section B, line 12c	All members of the board of directors and officers receive a copy of the Conflict of Interest Policy annually Recipients are annually asked to acknowledge they have read the policy, identify any areas of conflict and return the signed disclosure form to Wheeling Hospital, Inc Responses are reviewed and identified Conflicts are referred to the Board of Directors for discussion and approval Key employees and other employees are required to complete a Conflict of Interest questionnaire at hiring and when a change occurs that may be a conflict of interest
	Form 990, Part VI, Section B, line 15	Ronald L Violi, "CEO" of Wheeling Hospital, Inc , is not an employee of Wheeling Hospital, Inc Ronald L Violi receives his compensation from R & V Associates, which receives payments from Wheeling Hospital, Inc for consulting and management services it provides, including for Ronald L Violi's services as "CEO" Wheeling Hospital, Inc has determined by means of committee review that the payments to R & V Associates are reasonable and at fair market value Therefore all compensation payments to Ronald L Violi are reasonable Other officers and key employees' compensation is reviewed by a Wheeling Hospital committee The committee reviews national, regional and local compensation surveys Additionally, years of service are also taken into account
	Form 990, Part VI, Section C, line 19	Governing documents, conflict of interest policy, and financial statements are available upon request Wheeling Hospital, Inc also files the financial statements with the WVHCA annually
	Form 990, Part VII, Section B	Amounts paid to Graziano/PJ Dick represent amounts paid for services and materials These amounts cannot be separated
Changes in Net Assets or Fund Balances	Form 990, Part XI, line 5	Net unrealized gains on investments 8,201,206 Grant Activity 66,158 Contributed Capital -256,992 Transfers 2,535 Total to Form 990, Part XI, Line 5 8,012,907
	Form 990, Part XII, Line 3a	Wheeling Hospital, Inc entered into a HUD/FHA Section 242 mortgage insurance arrangement and was required by this arrangement to undergo an A-133 audit

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SCHEDULE R (Form 990)

Department of the Treasury
Internal Revenue Service

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No 1545-0047

2011

Open to Public Inspection

Name of the organization
Wheeling Hospital Inc

Employer identification number
55-0357057

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" on Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) Wheeling Pediatrics LLC 222 N 5th St Martins Ferry, OH 43935 26-1482791	Physician Offices	OH	0	0	Wheeling Hospital Inc
(2) Women's Health Specialists of Wheeling Hospital LLC 1 Medical Park Center 3 Suite 232 Wheeling, WV 26003 26-2809731	Physician Offices	WV	0	0	Wheeling Hospital Inc
(3) WH Holdings I LLC 1 Medical Park Wheeling, WV 26003 27-3193207	Purchase Real Estate	WV	0	0	Wheeling Hospital Inc
(4) WH Holdings II LLC 1 Medical Park Wheeling, WV 26003 27-3193246	Purchase Real Estate	WV	-1,093,008	6,172,888	Wheeling Hospital Inc

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled organization	
						Yes	No
(1) Belmont Community Hospital Inc 4697 Harison Street Bellaire, OH 43906 34-0714643	Hospital	OH	Section 501(c)(3)	Schedule A, Line 3	Wheeling Hospital Inc	Yes	
(2) Medical Park Foundation 1 Medical Park Wheeling, WV 26003 55-0744690	Church	WV	Section 501(c)(3)	Schedule A, Line 1	Wheeling Hospital Inc	Yes	
(3) Self Insurance Trust Agreement of Wheeling Hospital Inc 1 Medical Park Wheeling, WV 26003 55-0676674	Insurance	WV	Section 501(c)(3)	Schedule A, Line 11a	Wheeling Hospital Inc	Yes	

Part III **Identification of Related Organizations Taxable as a Partnership** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations? Yes	(h) No	(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner? Yes	(j) No	(k) Percentage ownership

Part IV **Identification of Related Organizations Taxable as a Corporation or Trust** (Complete if the organization answered "Yes" on Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(1) Mountaineer Freedom Risk Retention Group Inc One Medical Park Wheeling, WV 26003 32-0184323	Captive Insurance	WV	Wheeling Hospital Inc	C	4,594,703	27,023,761	97 000 %
(2) Mountaineer Freedom Physician & Hospital Association Inc One Medical Park Wheeling, WV 26003 30-0386759	Physician Hospital Assoication	WV	Wheeling Hospital Inc	C			97 000 %

Part V Transactions With Related Organizations (Complete if the organization answered "Yes" on Form 990, Part IV, line 34, 35, 35A, or 36.)

		Yes	No
Note. Complete line 1 if any entity is listed in Parts II, III or IV			
1 During the tax year, did the orgranization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?			
a Receipt of **(i)** interest **(ii)** annuities **(iii)** royalties **(iv)** rent from a controlled entity	1a	Yes	
b Gift, grant, or capital contribution to related organization(s)	1b	Yes	
c Gift, grant, or capital contribution from related organization(s)	1c		No
d Loans or loan guarantees to or for related organization(s)	1d		No
e Loans or loan guarantees by related organization(s)	1e		No
f Sale of assets to related organization(s)	1f		No
g Purchase of assets from related organization(s)	1g		No
h Exchange of assets with related organization(s)	1h	Yes	
i Lease of facilities, equipment, or other assets to related organization(s)	1i		No
j Lease of facilities, equipment, or other assets from related organization(s)	1j	Yes	
k Performance of services or membership or fundraising solicitations for related organization(s)	1k	Yes	
l Performance of services or membership or fundraising solicitations by related organization(s)	1l	Yes	
m Sharing of facilities, equipment, mailing lists, or other assets with related organization(s)	1m		No
n Sharing of paid employees with related organization(s)	1n	Yes	
o Reimbursement paid to related organization(s) for expenses	1o		No
p Reimbursement paid by related organization(s) for expenses	1p	Yes	
q Other transfer of cash or property to related organization(s)	1q	Yes	
r Other transfer of cash or property from related organization(s)	1r		No

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds

(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount involved	(d) Method of determining amount involved
(1) See Additional Data Table			
(2)			
(3)			
(4)			
(5)			
(6)			

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" on Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization See instructions regarding exclusion for certain investment partnerships

(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Predominant income(related, unrelated, excluded from tax under sections 512-514)	(e) Are all partners section 501(c)(3) organizations?		(f) Share of total income	(g) Share of end-of-year assets	(h) Disproprtionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
				Yes	No			Yes	No		Yes	No	

Schedule R (Form 990) 2011

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions)

Identifier	Return Reference	Explanation	

Additional Data

Software ID:
Software Version:
EIN: 55-0357057
Name: Wheeling Hospital Inc

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
The Most Rev Michael J Bransfield Chairman	1 00	X		X				0	0	0
Very Rev Kevin M Quirk JCD JV President/Secretary	1 00	X		X				0	0	0
James E Altmeyer Sr Board Member	1 00	X						0	0	0
Rev Mon Frederick P Annie VG Board Member	1 00	X						0	0	0
John J Battaglino Jr MD Board Member	1 00	X						22,501	0	0
Thomas F Burgoyne Board Member	1 00	X						0	0	0
Frank L Carenbauer III DDS Board Member	1 00	X						0	0	0
David A Ghaphery MD start 112 Board Member	1 00	X						0	0	0
C Gary Hill Board Member	1 00	X						0	0	0
Howard L Long Board Member	1 00	X						0	0	0
Curtis R Oliver Board Member	1 00	X						0	0	0
Sister Mary Palmer CSJ Board Member	1 00	X						0	0	0
Richard M Polinsky Board Member	1 00	X						0	0	0
Nick A Sparachane Board Member	1 00	X						0	0	0
Raymond V Thalman III Board Member	1 00	X						0	0	0
Ronald L Violi Sch J L Chief Executive Officer	60 00			X				0	0	0
Michael S McKeets Chief Operating Officer	60 00			X				193,629	0	20,476
James B Murdy Chief Financial Officer	60 00			X				255,420	0	47,775
Patricia Liebman Executive Vice President	60 00				X			383,281	0	30,965
Angelo Georges MD Chief Medical Officer	60 00				X			500,678	0	40,445
Dennis Niess MD Chief Med Info Officer	60 00				X			275,641	0	28,815
David Rapp Chief Info Officer	60 00				X			226,357	0	35,526
Cinda Marsh Chief Nursing Officer	60 00				X			180,773	0	9,408
Chandra S Swamy Physician	40 00					X		1,172,209	0	28,476
Jessica Ybanez-Morano Physician	40 00					X		810,896	0	45,641

Form 990, Part VII - Compensation of Officers, Directors,Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

(A) Name and Title	(B) Average hours per week	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W- 2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional Trustee	Officer	Key employee	Highest compensated employee	Former			
Gregory S Merrick Physician	40 00					X		1,186,396	0	5,501
Ahmad Rahbar Physician	40 00					X		849,167	0	15,277
Jondavid Pollock Physician	40 00					X		1,094,530	0	5,422
Robert Coram Former Senior Clinical Director	0 00						X	76,122	0	9,072
Susan Falbo Former VP HR	0 00						X	126,028	0	354

Additional Data

Return to Form

Software ID:
Software Version:
EIN: 55-0357057
Name: Wheeling Hospital Inc

Form 990, Schedule R, Part V - Transactions With Related Organizations

	(a) Name of other organization	(b) Transaction type(a-r)	(c) Amount Involved ($)	(d) Method of determining amount involved
(1)	Belmont Community Hospital Inc	P	2,220,432	Actual amount paid
(2)	Belmont Community Hospital Inc	K	377,957	Actual amount paid
(3)	Belmont Community Hospital Inc	N	2,360,343	Actual amount paid
(4)	Belmont Community Hospital Inc	L	69,708	Actual amount paid
(5)	Belmont Community Hospital Inc	H	119,057	Actual amount paid
(6)	Belmont Community Hospital Inc	A	31,502	Actual amount paid
(7)	Belmont Community Hospital Inc	J	58,603	Actual amount paid
(8)	Mountaineer Freedom Risk Retention Group Inc	B	256,992	Actual amount paid
(9)	Mountaineer Freedom Risk Retention Group Inc	Q	6,193,192	Actual amount paid

Wheeling Hospital, Inc. and Subsidiaries

Consolidated Financial Statements and
Supplemental Schedules as of and for the
Years Ended September 30, 2012 and 2011, and
Independent Auditors' Report

WHEELING HOSPITAL INC. AND SUBSIDIARIES

TABLE OF CONTENTS

Deloitte

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INDEPENDENT AUDITORS' REPORT

To the Board of Directors of
Wheeling Hospital, Inc and Subsidiaries

We have audited the accompanying consolidated balance sheets of Wheeling Hospital, Inc and subsidiaries (the "Hospital") as of September 30, 2012 and 2011, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended These consolidated financial statements are the responsibility of the Hospital's management Our responsibility is to express an opinion on these consolidated financial statements based on our audits

We conducted our audits in accordance with auditing standards generally accepted in the United States of America Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Hospital's internal control over financial reporting Accordingly, we express no such opinion An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the consolidated financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation We believe that our audits provide a reasonable basis for our opinion

In our opinion, such consolidated financial statements present fairly, in all material respects, the financial position of the Hospital as of September 30, 2012 and 2011, and the results of their operations, their changes in net assets, and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America

Our audits were conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole The supplemental schedules listed in the table of contents are presented for the purpose of additional analysis and are not a required part of the consolidated financial statements These schedules are the responsibility of the Hospital's management and were derived from and relate directly to the underlying accounting and other records used to prepare the consolidated financial statements Such schedules have been subjected to the auditing procedures applied in our audits of the consolidated financial statements and certain additional procedures, including comparing and reconciling such schedules directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America In our opinion, such schedules are fairly stated in all material respects when considered in relation to the consolidated financial statements taken as a whole

Deloitte + Touche LLP

January 28, 2013

WHEELING HOSPITAL, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2012 AND 2011

ASSETS	2012	2011
CURRENT ASSETS		
Cash and cash equivalents	$ 41,482,768	$ 39,572,428
Receivables		
Patients — less allowance for uncollectible accounts of $16,725,000 and $13,764,000 in 2012 and 2011, respectively	29,556,998	27,983,970
Other	1,558,880	786,637
Current portion of assets whose use is limited	3,678,641	10,870,483
Inventories	2,799,428	3,275,698
Prepaid expenses and advances	3,395,479	3,203,138
Estimated third-party payor settlements	1,726,407	478,012
Total current assets	84,198,601	86,170,366
INVESTMENTS — Including board-designated funds		
Assets whose use is limited	75,895,987	59,817,464
Other long-term investments	28,964,433	24,950,990
Equity method investment in Wheeling Renal Care	1,862,003	1,920,191
Investments of Medical Park Foundation	1,175,272	1,097,700
Total investments	107,897,695	87,786,345
PROPERTY, BUILDINGS, AND EQUIPMENT — Net of accumulated depreciation	132,681,834	117,832,438
OTHER NONCURRENT ASSETS	7,690,236	3,704,311
TOTAL	$332,468,366	$295,493,460

(Continued)

WHEELING HOSPITAL, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS
AS OF SEPTEMBER 30, 2012 AND 2011

LIABILITIES AND NET ASSETS	2012	2011
CURRENT LIABILITIES		
Current portion of long-term obligations	$ 2,232,664	$ 1,661,698
Short-term borrowings	-	3,646,930
Accounts payable	12,025,721	20,307,062
Accrued salaries and other expenses	14,490,793	12,600,422
Accrued vacation expense	9,985,654	8,456,608
Current portion of self-insurance reserves	2,695,111	6,163,263
Total current liabilities	41,429,943	52,835,983
OTHER LIABILITIES	2,449,904	2,334,541
SELF-INSURANCE RESERVES	15,320,126	13,673,159
LONG-TERM DEBT — Less current maturities		
Term loans and mortgages	56,950,804	34,237,856
Capital lease obligations	1,517,124	1,642,033
Total long-term debt	58,467,928	35,879,889
NET ASSETS		
Unrestricted net assets	203,773,943	180,853,086
Temporarily restricted	9,423,118	8,836,380
Permanently restricted	1,603,404	1,080,422
Total net assets	214,800,465	190,769,888
TOTAL	$332,468,366	$295,493,460

See notes to consolidated financial statements (Concluded)

WHEELING HOSPITAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED SEPTEMBER 30, 2012 AND 2011

	2012	2011
UNRESTRICTED REVENUES, GAINS, AND OTHER SUPPORT		
Net patient service revenue	$304,522,444	$288,180,250
Other revenue	10,606,895	9,574,414
Assets released from restrictions used for operations	375,484	444,173
Total unrestricted revenues, gains, and other support	315,504,823	298,198,837
EXPENSES		
Compensation and employee benefits	153,887,628	140,799,774
Supplies, purchased services, and general	118,816,840	112,189,888
Provision for bad debts	16,309,057	18,970,493
Depreciation and amortization	15,070,761	13,239,898
Interest	1,311,618	166,696
Other	345,710	347,764
Total expenses	305,741,614	285,714,513
INCOME FROM OPERATIONS BEFORE OTHER INCOME	9,763,209	12,484,324
OTHER INCOME (EXPENSE)		
Investment income	3,494,497	5,942,275
Revenues from other nonoperating activities	3,101,005	3,142,457
Expenses from other nonoperating activities	(3,690,122)	(3,077,947)
Income from equity method investment in Wheeling Renal Care	1,147,140	1,200,331
Other	630,680	946,786
Total other income (expense) — net	4,683,200	8,153,902
EXCESS OF REVENUES OVER EXPENSES	14,446,409	20,638,226
NET UNREALIZED GAINS/(LOSSES) ON INVESTMENTS	8,474,448	(4,019,155)
INCREASE IN UNRESTRICTED NET ASSETS	$ 22,920,857	$ 16,619,071

See notes to consolidated financial statements

WHEELING HOSPITAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED SEPTEMBER 30, 2012 AND 2011

	2012	2011
UNRESTRICTED NET ASSETS		
Excess of revenues over expenses	$ 14,446,409	$ 20,638,226
Net unrealized gains (losses) on investments	8,474,448	(4,019,155)
Increase in unrestricted net assets	22,920,857	16,619,071
TEMPORARILY RESTRICTED NET ASSETS		
Net realized and unrealized gains (losses) on investments	415,052	(48,236)
Restricted investment income	106,206	275,467
Contributions and research grants received	440,964	286,255
Assets released from restriction used for operations	(375,484)	(444,173)
Increase in temporarily restricted net assets	586,738	69,313
PERMANENTLY RESTRICTED NET ASSETS —		
Change in Beneficial Interest in charitable trust	522,982	841,510
Increase in permanently restricted net assets	522,982	841,510
INCREASE IN NET ASSETS	24,030,577	17,529,894
NET ASSETS — Beginning of year	190,769,888	173,239,994
NET ASSETS — End of year	$ 214,800,465	$ 190,769,888

See notes to consolidated financial statements

WHEELING HOSPITAL, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED SEPTEMBER 30, 2012 AND 2011

	2012	2011
CASH FLOWS FROM OPERATING ACTIVITIES		
Change in net assets	$ 24,030,577	$ 17,529,894
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Depreciation and amortization	15,761,245	13,810,734
Provision for bad debts	16,309,057	18,970,493
Change in unrealized (gains)losses on investments	(8,848,209)	4,097,578
Restricted contributions and investment expense	(551,529)	(342,436)
Beneficial Interest in charitable trust	(522,982)	(841,510)
Income from equity method investment in Wheeling Renal Care	(1,147,140)	(1,200,331)
Net loss on disposals of property, buildings, and equipment	258,269	65,686
Changes in assets and liabilities		
Patient and other receivables	(18,654,328)	(17,890,477)
Inventories	476,270	(545,137)
Prepaid expenses and advances	(192,341)	(156,358)
Accounts payable and accrued expenses	(5,273,843)	3,898,422
Estimated third-party payor settlements	(1,248,395)	1,207,203
Other liabilities	115,363	73,744
Other noncurrent assets	(4,245,275)	(1,094,250)
Distributions from equity method investment in Wheeling Renal Care	1,205,329	1,302,706
Self-insurance reserves	(1,821,185)	4,104,514
Net cash provided by operating activities	15,650,883	42,990,475
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, buildings, and equipment	(29,372,913)	(42,076,723)
Proceeds from sale of property, buildings, and equipment	45,543	10,380
Sales of investments	28,127,319	82,115,442
Purchases of investments	(31,732,083)	(89,084,536)
Net cash used in investing activities	(32,932,134)	(49,035,437)
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of short-term borrowings	(3,646,930)	(3,431,288)
Restricted contributions and investment income	549,787	336,390
Borrowings of debt	23,924,715	34,474,941
Repayment of debt and capital lease obligations	(1,633,981)	(1,254,763)
Net cash provided by financing activities	19,193,591	30,125,280
NET INCREASE IN CASH AND CASH EQUIVALENTS	1,910,340	24,080,318
CASH AND CASH EQUIVALENTS — Beginning of year	39,572,428	15,492,110
CASH AND CASH EQUIVALENTS — End of year	$ 41,482,768	$ 39,572,428
SUPPLEMENTAL CASH FLOW INFORMATION — Cash paid for interest (noet of capitalized interest of $1,091,736 in 2012 and $980,660 in 2011)	$ 1,332,933	$ 185,111
NONCASH TRANSACTIONS		
Capital lease transactions for equipment	$ 868,271	$ 121,028
Purchases of property, buildings, and equipment in accounts payable	$ 411,919	$ 2,697,330

See notes to consolidated financial statements

1. CORPORATE ORGANIZATION

Wheeling Hospital, Inc (the "Hospital") was created by an Act of the Virginia General Assembly in 1850 Currently, the Hospital operates and exists under the laws of West Virginia as a not-for-profit corporation Under its corporate charter, the Hospital is operated, supervised, and controlled by the Roman Catholic Diocese of Wheeling/Charleston The Hospital consists of the Wheeling Hospital Division, a full-service regional teaching hospital offering a wide range of medical and surgical services on an inpatient and outpatient basis, and the Bishop Joseph H Hodges Continuous Care Center ("CCC") Division, housing a 120-bed skilled and intermediate care center The Hospital also owns and operates the Physician Practice Division as a department of the Hospital This division consists of a group of primary care and multispecialty physicians practicing at the Hospital

The Hospital is also the sole member of Belmont Community Hospital, Inc ("Belmont Hospital") located in Bellaire, Ohio Accordingly, Belmont Hospital, is included in the accompanying consolidated financial statements

In October 2006, the Hospital and various West Virginia physicians formed a captive insurance company called Mountaineer Freedom Risk Retention Group Inc ("MFRRG") The Hospital is a 97% owner in this entity while the Physicians have a 3% noncontrolling interest The terms of the by-laws provide that distributions, whether on a regular basis or upon dissolution, will be allocated based on the capital contribution the respective owners have made to MFRRG Accordingly, MFRRG is included in the accompanying consolidated financial statements

The Medical Park Foundation (the "Foundation") raises contributions solely for the use of the Hospital controlled entities The purpose of the Foundation is to cultivate philanthropic support for patient-care services, improve hospital facilities, support the uncompensated care program, and support community outreach programs The Hospital is the sole member of the Foundation, accordingly, the Foundation is included in the accompanying consolidated financial statements

In August 2010 Wheeling Hospital formed two holding companies, WH Holdings I, LLC ("WHH I") and WH Holdings II, Inc ("WHH II") WHH I is a taxable limited liability company, while WHH II, Inc is a non-profit corporation These holding companies may be used for any future endeavors that might be undertaken by the Hospital outside of the covenants and agreements governing the HUD-insured mortgage Capitalization for these holding companies will be derived, as necessary, from assets outside of the covenants and agreements governing the HUD-insured mortgage The financial statements of WHH II are included in the accompanying consolidated financial statements As of and for the year ended September 30, 2012 there were no assets, nor activity for WHH I

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of the significant accounting policies utilized in preparation of these consolidated financial statements

Basis of Accounting — The Hospital and subsidiaries maintain their accounts on the accrual basis of accounting

Principles of Consolidation — The consolidated financial statements include the accounts of the Hospital and its subsidiaries, including Belmont Hospital, CCC, WP, WHS, MFRRG, WHH II and the Foundation All significant intercompany accounts and transactions have been eliminated

Cash and Cash Equivalents — Cash and cash equivalents include highly liquid investments with an original maturity less than 90 days at the date of acquisition The Hospital and its subsidiaries maintain certain cash balances with banks that exceed the amounts insured by the Federal Deposit Insurance Corporation Excluded from cash and cash equivalents are amounts whose use is limited by Board of Directors' designation or other arrangements under trust agreements

Investments — Investments in debt and equity securities are recorded at fair value The Hospital has classified all its assets limited to use and marketable securities as available for sale

Investment income, including realized gains and losses and other-than-temporary impairment ("OTTI") losses, is included in excess of revenues over expenses generally as nonoperating gains, unless the income or loss is restricted by the donor or law Dividend income is recognized on the ex-dividend date Interest income is recognized on the accrual basis Unrealized gains and losses on the investments, excluding OTTI losses, are excluded from excess of revenues over expenses and are recorded as an other change in unrestricted net assets Donated investments are recorded at fair value at the date of receipt

Investment income on operating funds is reported as other operating revenue Investment income, including net realized gains (losses) (recognized on the trade date) and other-than-temporary losses from board-designated funds, is reported in nonoperating gains (net) When required by the donor or law, investment income and realized and unrealized gains (losses) on investments of temporarily or permanently restricted net assets are added to (deducted from) the respective net asset classification

The Hospital utilizes various investment instruments, including government and agency securities, corporate bonds, and common stocks Investment securities, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility risks Due to the level of risk associated with certain investment securities, it is reasonably possible that changes in the values of investment securities will occur in the near term and those changes could materially affect the amounts reported in the consolidated financial statements and accompanying notes

Investment in Joint Venture — The Hospital is a 50% owner in Wheeling Renal Care (WRC), a full service renal dialysis center The Hospital's interest in this joint venture is being accounted for under the equity method of accounting The earnings from WRC are recorded as other income, as it is not an integral part of the operations of the Hospital Summary information of WRC is as follows

	2012	2011
Total assets	$4,299,713	$4,394,777
Total liabilities	575,414	554,102
Total revenue	8,521,068	9,230,621
Net income	2,294,280	2,400,662

Assets Whose Use is Limited — Assets whose use is limited include assets set aside by the Board of Directors for future capital improvements, over which the board retains control and may, at its discretion, subsequently use for other purposes and self-insurance trust arrangements Assets whose use is limited also include certain funds whose use has been restricted by the donor Amounts required to meet current liabilities of the Hospital have been included in current assets in the accompanying consolidated balance sheets

Inventories — Inventories, consisting primarily of drugs and medical supplies, are stated at the lower of cost or market (based on the first-in, first-out method)

Property, Buildings, and Equipment — Purchased property, buildings, and equipment are carried at cost and donated property, buildings, and equipment are carried at fair value at the date of donation Depreciation is computed using the straight-line method at rates sufficient to amortize costs of the depreciable assets over their estimated useful lives ranging from 3 to 40 years Amortization of capitalized leases is included in depreciation When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in operations for the year The cost of maintenance and repairs is charged to operations as incurred, significant renewals and betterments are capitalized and deductions are made for retirements resulting from the renewals or betterments

Impairment of Long-Lived Assets — Management of the Hospital reviews long-lived assets (including property, buildings, and equipment) for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable Management considers the undiscounted cash flow expected to be generated by the use of the asset and its eventual disposition to determine when, and if, impairment has occurred Any write-downs due to impairment are charged to operations at the time impairment is identified No such write-down was required in 2012 or 2011

Temporarily and Permanently Restricted Net Assets — Temporarily restricted net assets are those whose use has been limited by donors for a specific time period or purpose Permanently restricted net assets are restricted by donors to be maintained in perpetuity and only the income earned may be expended

The Hospital has recorded beneficial interests from perpetual trusts held by third parties and the related unrestricted trust income in the accompanying consolidated balance sheets and consolidated statements of operations The Hospital has the irrevocable right to receive the income earned on the trust assets in perpetuity, but does not hold the underlying assets The income earned is recorded as investment income

Net Patient Service Revenue — The Hospital records patient receivables and service fees revenue as the service is provided on an accrual basis Aging of receivables is determined based on date of service The Hospital grants credit without collateral to its patients and does not accrue interest on any of its patient receivables The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates Payment arrangements include prospectively determined rates per discharge, reimbursed costs, discounted charges, and per diem payments Net patient service revenue is reported at the estimated net realizable amounts from patients, third-party payors, and others for services rendered, including estimated retroactive adjustments under reimbursement agreements with third-party payors Retroactive adjustments are accrued on an estimated basis in the period the related services are rendered and adjusted (as a result of examination or audit) in future periods, as final settlements are determined Net patient service revenue was increased by $1,439,000 and $1,974,000 for the years ended September 30, 2012 and 2011, respectively, due to prior-year retroactive adjustments in excess of amounts previously estimated

Other Revenue — Other revenue is derived from ancillary services, which are an integral part of the operations of the Hospital other than providing health care services to patients Included in other revenue are grants, cafeteria, gift shop, pharmacy, unrestricted contributions, and other services Such revenue is recognized when the related service is performed, drugs are dispensed, or in the case of grant revenue, when the Hospital incurs the cost related to the grant's purpose

Other Income (Expense) — Other income (expense) is derived from income from the equity method investment in Wheeling Renal Care and certain other activities of the Hospital which are not an integral part of the operations of the Hospital, such as the Hospital's fitness center and its rental property Expenses of other nonoperating activities include depreciation of building, land improvements and equipment of $690,484 and $570,836 for the years ended September 30, 2012 and 2011, respectively Revenues from the Hospital's fitness center are recognized ratably over the year for annual memberships and in the month the service is provided for monthly memberships Rental revenue is recognized on the straight-line basis over the lease term A substantial majority of the Hospital's rental contracts are for less than 12 months

Estimated Malpractice and Workers' Compensation Costs — The provision for estimated medical malpractice and workers' compensation claims include estimates of the ultimate costs for both reported claims and claims incurred but not reported Accruals for workers' compensation claims are discounted at a discount rate of 4% at September 30, 2012 and 2011 The accrual for estimated malpractice claims is undiscounted due to the inherent uncertainty of the timing of the expected payments

Donor Gifts — Unconditional promises to give cash and other assets are reported at fair value at the date the promise is received Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is received The gifts are reported as either temporarily or permanently restricted support if they are received with donor stipulations that limit the use of the donated assets When a donor restriction expires (i e , when a stipulated time restriction ends or purpose restriction is accomplished) temporarily restricted net assets are reclassified as unrestricted net assets and reported in the consolidated statements of operations as net assets released from restrictions

Excess of Revenues Over Expenses — The consolidated statements of operations include excess of revenues over expenses, which is considered the Hospital's performance indicator Changes in unrestricted net assets, which are excluded from excess of revenues over expenses, consistent with current industry practice, include unrealized gains and losses on investments other than trading securities, changes in accounting policies, permanent transfers of assets to and from affiliates for other than goods and services, and contributions of long-lived assets (including assets acquired using contributions that by donor restriction were to be used for the purposes of acquiring such assets)

Income Taxes — The Hospital, CCC, Belmont Hospital, the Foundation, WP, and WHS, all qualify as tax-exempt organizations under Section 501(c)(3) of the U S Internal Revenue Code WHH II is treated as a disregarded entity of WH MFRRG is a taxable entity, incorporated in West Virginia The effect of income taxes on MFRRG in the accompanying consolidated financial statements is not significant The Hospital does not have any material uncertain tax positions at September 30, 2012 and 2011

Use of Estimates in the Preparation of Consolidated Financial Statements — The Hospital maintains its accounts on the accrual basis of accounting The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period Actual results could differ from those estimates

Accounting Pronouncements Adopted — In August 2010, the FASB issued guidance requiring the cost to be used as the measurement basis for charity care disclosure purposes and that the method used to determine such cost also is disclosed The objective of this guidance is to reduce the diversity in practice regarding the measurement basis used in the disclosure of charity care This guidance is effective for financial statements issued for fiscal years beginning after December 15, 2010 The Hospital has

adopted this guidance effective October 1, 2011 The adoption of this guidance did not have a material impact on the Hospital's consolidated financial statements

In August 2010, the FASB issued guidance in order to clarify that a health care entity should not netinsurance recoveries against a related claim liability and that the amount of the claim liability should be determined without considerations of insurance recoveries This guidance is effective for financialstatements issued for fiscal years beginning after December 15, 2010 The Hospital has adopted this guidance effective October 1, 2011 The adoption of this guidance did not have a material impact on the Hospital's consolidated financial statements

Forthcoming Accounting Pronouncements — In July 2011, the FASB issued new guidance that requires certain health care entities to present the provision for bad debts related to patient service revenues as a deduction from revenue, net of contractual allowances and discounts, versus an expense in the statement of operations In addition, it also requires enhanced disclosures regarding revenue recognition policies and the assessment of bad debt The Hospital adopted this guidance effective October 1, 2012 This statement will result in a reduction of net patient revenue, operating revenue, and operating expenses, but will have no impact on income from operations in the consolidated statement of operations and changes in net assets

In May 2011, the FASB issued new guidance that amends the fair value disclosure requirements regarding transfers between Level 1 and Level 2 of the fair value hierarchy and also the categorization by level of the fair value hierarchy for items that are not measured at fair value in the financial statements but for which the fair value is required to be disclosed The Hospital will adopt this guidance for disclosure in its consolidated financial statements for the year ending September 30, 2013 No material impact is expected from adoption

3. ASSET RETIREMENT OBLIGATIONS

The Hospital recognizes the fair value of a liability for legal obligations associated with asset retirements in the period in which it is incurred, in accordance with accounting for asset retirement obligations and accounting for conditional asset retirement obligations The timing or method of settling such an obligation is conditional on a future event that may or may not be within the control of the Hospital When the liability is initially recorded, the Hospital capitalizes the cost of the asset retirement obligation by increasing the carrying amount of the related long-lived asset Over time, the liability is accreted to its present value each period, and the capitalized cost associated with the retirement obligation is depreciated over the useful life of the related asset Upon settlement of the obligation, any difference between the cost to settle the asset retirement obligation and the liability recorded is recognized as a gain or loss in the consolidated statements of operations The future value of the Hospital's asset retirement obligation is approximately $21 million The asset retirement obligation relates to asbestos removal at the Hospital's various properties The liability was estimated using an inflation rate of 3% based on the nature of the retirement obligation Because guidance related to accounting for asset retirement obligations requires retrospective application to the inception of the liability, the initial asset retirement obligation was calculated using a discount rate of 4 6% based on the credit adjusted risk-free rate of interest commensurate with the estimated settlement dates

September 30, 2010	$ 1,898,612
Accretion expense for year ended September 30, 2011	109,095
September 30, 2011	2,007,707
Accretion expense for year ended September 30, 2012	95,294
September 30, 2012	$ 2,103,001

The asset retirement obligation is recorded within other liabilities in the consolidated balance sheets

The cost to remediate or abate is estimated based on historical cost, current quotes from third parties, and the Hospital's knowledge of the applicable laws and regulations The amount and location of asbestos is based on the Hospital's experience during renovations and recently conducted studies, however, estimated costs and future costs could differ significantly due to the nature of the estimates used

The settlement date of the obligation is the year when the buildings are no longer deemed to have future useful life and the buildings are closed, or otherwise disposed of, or when the remediation costs are expected to be incurred These settlement dates are generally based on the Hospital's anticipated renovations or the remaining useful life of the buildings Changes in demand, availability of capital, competition, economic conditions, technology advancements, and state regulations can significantly affect the estimated settlement date

4. SERVICE BENEFIT

The Hospital provides care to patients who meet certain criteria under the approved charity care policy without charge or at amounts less than the established rates Because the Hospital does not pursue collection of amounts that are determined to qualify as charity care, they are not reported as net patient service revenue The Hospital maintains records to identify and monitor the level of charity care it provides The cost of the charity care provided in FY 2012 was $5,546,000 The method used to

compute the cost was to first obtain an overall cost to charge ratio by dividing operating expenses for the year ended September 30, 2012 by the gross patient service revenue for the year ended September 30, 2012 This cost to charge ratio was then applied to the total charges related to charity care

In addition to the charity care provided for direct patient care, the Hospital provides free and below cost services and programs for the community The costs of these services and programs are included in compensation and employee benefits and various other expense line items of the Hospital's consolidated statements of operations

5. NET PATIENT SERVICE REVENUE

The Hospital has agreements with third-party payors that provide for payments to the Hospital at amounts different from its established rates Net patient service revenue is reported at estimated net realizable amounts from patients, third-party payors, and others for services rendered and include estimated retroactive revenue adjustments due to future audits, reviews, and investigations Retroactive adjustments are considered in the recognition of revenue on an estimated basis in the period the related services are rendered, and such amounts are adjusted in future periods as adjustments become known or as years are no longer subject to such audits, reviews, and investigations A summary of the payment arrangements with major third-party payors follows

Medicare — Inpatient acute care services rendered to Medicare program beneficiaries are paid at prospectively determined rates per discharge Medicare also reimburses for substantially all outpatient services based on prospective payment terms These rates vary according to a patient classification system that is based on clinical, diagnostic, and other factors The Hospital is reimbursed for Medicare-related bad debts, Indirect Medical Education, and Graduate Medical Education at tentative rates with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary Belmont Hospital is reimbursed for Medicare-related bad debts and disproportionate shares at tentative rates with final settlement determined after submission of annual cost reports and audits thereof by the Medicare fiscal intermediary The Hospital's Medicare cost reports have been audited with final settlements determined by the Medicare fiscal intermediary through September 30, 2007 Belmont Hospital's Medicare cost reports have been audited with final settlements determined by the Medicare fiscal intermediary through December 31, 2006

Medical Assistance — The Hospital's acute inpatient and outpatient care services are reimbursed by West Virginia Medical Assistance at prospectively determined rates Acute inpatient services and outpatient services rendered by the Hospital to Ohio Medical Assistance beneficiaries are reimbursed at prospectively determined rates Belmont Hospital's acute inpatient and outpatient care services are reimbursed by West Virginia and Ohio Medical Assistance at prospectively determined rates The Hospital's classification of patients under the Medical Assistance program and the appropriateness of their admissions are subject to an independent review by the utilization review committee The Hospital's Medical Assistance cost reports have been audited by the Ohio Department of Human Services through September 30, 2004 The Hospital is no longer required to file an Ohio Medicaid Cost Report Belmont Hospital's Ohio Medical Assistance cost reports have been audited by the Ohio Department of Human Services through December 31, 2006 There is no cost report settlement with West Virginia Medical Assistance

Under the West Virginia Disproportionate Share Program, the Hospital received approximately $372,000 and $385,000 for the years ended September 30, 2012 and 2011, respectively

During fiscal 1993, the West Virginia Legislature enacted into law a tax on all West Virginia health care providers to fund the state Medicaid program This tax is paid on the net revenues for services provided within West Virginia The tax is 2 5% of acute care net revenues and 5 5% of skilled nursing net revenues The Hospital paid approximately $4,837,000 and $4,857,000 in provider tax expense during fiscal 2012 and 2011, respectively These amounts are included in supplies, purchased services, and general expense in the accompanying consolidated statements of operations on an accrual basis

On July 1, 2012, the State of WV notified all eligible acute care hospitals that in addition to the Health Care Provider Tax, an acute care hospital tax at the rate of 0088 is imposed on the net patient revenues of eligible acute care hospitals that provide inpatient and outpatient hospital services in West Virginia through a Medicaid upper payment limit program The new revenues produced will be used as the state contribution toward drawing down additional federal matching dollars for Medicaid to enhance current hospital rates under a new upper payment limit (UPL) program The tax was implemented retroactively July 1, 2011 and expires on June 30, 2013 unless otherwise extended by the legislature The taxes collected are deposited into a dedicated eligible acute care provider enhancement fund Quarterly disbursements are made to support the hospital Medicaid upper payment limit program In FY 2012 Wheeling Hospital expensed approximately of $1,963,000 Actual payments received totaled $998,000 and an estimated receivable of $1,497,000 was recorded, which will be received in FY 2013

Other — The Hospital and Belmont Hospital have also entered into payment agreements with certain commercial insurance carriers, health maintenance organizations, and preferred provider organizations The basis for payment to the Hospital and Belmont Hospital under these agreements includes prospectively determined daily rates and discounts from established charges One of these contracts accounted for approximated 14% and 9% of consolidated net patient service revenue during the years ended September 30, 2012 and 2011, respectively

Pursuant to the provisions of the West Virginia Code, the West Virginia Health Care Authority (HCA) has been empowered to regulate the Hospital's gross patient service revenue and gross revenue for nongovernmental payors through limitation orders compiled from budgets and rate schedules submitted by the Hospital on a periodic basis for its West Virginia-based operations The rate setting methodology used by HCA is based on expense and return on equity levels HCA also has the authority to approve or disallow contractual discounts provided to nongovernmental payors HCA granted a rate increase for fiscal year 2012, effective October 1, 2011, increasing the limit for inpatients by 5 99% and outpatients by 4 19% A rate order granted by HCA for fiscal year 2013, effective October 1, 2012, will increase the gross charges limit for inpatients by 7 25% and outpatients by 6 12%

Revenue from the Medicare and Medicaid programs accounted for approximately 34% and 8%, and 37% and 8%, respectively, of consolidated net patient service revenue for the years ended September 30, 2012 and 2011 Laws and regulations governing the Medicare and Medicaid programs are extremely complex and subject to interpretation As a result, there is at least a reasonable possibility that recorded estimates will change by a material amount in the near term

The Hospital and Belmont Hospital grant credit without collateral to their patients, most of who are local residents and are insured under third-party payor agreements The mix of net receivables from patients and third-party payors at September 30, 2012 and 2011, was as follows

	2012	2011
Medicare	30 %	32 %
Health Plan of the Upper Ohio Valley	15	18
Blue Cross	12	12
Medicaid	10	9
Other third-party payors	32	29
Total	100 %	100 %

6. INVESTMENTS

The composition of investments, including assets whose use is limited as of September 30, 2012 and 2011, is set forth as follows

	2012	2011
Mutual funds	$ 25,340,062	$23,951,157
Common stocks	47,360,094	38,972,647
Corporate and other bonds	28,746,726	26,622,678
Cash and cash equivalents	6,664,047	6,109,733
Beneficial interest in perpetual trusts	1,603,404	1,080,422
Equity method investment in Wheeling Renal Care	1,862,003	1,920,191
Total	$ 111,576,336	$98,656,828

The Belmont Hospital has recorded beneficial interests from perpetual trusts held by third parties and the related unrestricted trust income in the accompanying consolidated balance sheets and consolidated statements of operations The Belmont Hospital utilizes the discounted cash flow using observable inputs of dividend yield and interest rate as a valuation method

The above amounts are classified on the accompanying consolidated balance sheets as of September 30, 2012 and 2011, as follows

	2012	2011
Current portion of assets whose use is limited	$ 3,678,641	$10,870,483
Assets whose use is limited	75,895,987	59,817,464
Other long-term investments	28,964,433	24,950,990
Equity method investment in Wheeling Renal Care	1,862,003	1,920,191
Investments of Medical Park Foundation	1,175,272	1,097,700
	$111,576,336	$98,656,828

Investment income and gains for the years ended September 30, 2012 and 2011 are composed of the following

	2012	2011
Interest and dividend income	$ 2,303,401	$ 2,046,303
Net realized gains on sales of investments	1,191,096	3,895,972
Total investment income	$ 3,494,497	$ 5,942,275
Other changes in unrestricted net assets — change in net unrealized gains (losses) on investments	$ 8,474,448	$(4,019,155)

Investments in unrealized loss positions at September 30, 2012, are as follows

	September 30, 2012					
	Loss Position for Less Than 12 Months		Loss Position for Greater Than 12 Months		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Fixed income securities	$ 61,361	$ (771)	$ 1,348,188	$ (3,963)	$ 1,409,549	$ (4,734)
Equity investments	1,462,805	(115,792)	5,199,367	(84,417)	6,662,172	(200,209)
Total	$ 1,524,166	$(116,563)	$ 6,547,555	$(88,380)	$ 8,071,721	$(204,943)

Investments in unrealized loss positions at September 30, 2011, are as follows

	September 30, 2011					
	Loss Position for Less Than 12 Months		Loss Position for Greater Than 12 Months		Total	
	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses	Fair Value	Gross Unrealized Losses
Fixed income securities	$ 10,666,432	$ (314,294)	$ 1,398,744	$ (114,122)	$ 12,065,176	$ (428,416)
Equity investments	11,865,055	(1,287,905)	8,884,479	(223,398)	20,749,534	(1,511,303)
Total	$ 22,531,487	$(1,602,199)	$ 10,283,223	$(337,520)	$ 32,814,710	$(1,939,719)

7. FAIR VALUE MEASUREMENTS

The Hospital discloses the fair value of its financial instruments according to a fair value hierarchy and provides disclosure regarding financial instruments in investments without a readily determinable fair value, including a separate reconciliation of the beginning and ending balances for each major category of assets and liabilities

The following methods and assumptions were used to estimate fair value of each class of financial instruments for which it is practical to estimate fair value

The carrying amounts of cash and cash equivalents, accounts receivable, accounts payable, accrued liabilities, and short-term borrowings approximate fair value because of the short maturity of these instruments

The carrying and fair values of the self-insurance liabilities are actuarially determined

The carrying amount of notes payable with variable, market-based interest rates approximates fair value The carrying amounts of other notes and loans payable, mortgages, and capital leases approximate fair value based on the Hospital's current incremental borrowing rate for similar types of borrowing arrangements

The fair value hierarchy prioritizes the inputs into three broad levels Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities Level 2 inputs are quoted prices for similar assets and liabilities in active markets or inputs that are observable for the asset or liability, either directly or indirectly through market corroboration, for substantially the full term of the financial instrument Level 3 inputs are unobservable inputs based on assumptions used to measure assets and liabilities at fair value A financial asset or liability's classification within the hierarchy is determined based on the lowest level input that is significant to the fair value measurement

The Hospital's financial assets for each hierarchy level as of September 30, 2012 and 2011, are as follows

	September 30, 2012			
	Level 1	Level 2	Level 3	Total
Assets				
Mutual funds				
Domestic	$25,262,657	$ -	$ -	$ 25,262,657
International	77,405	-	-	77,405
Total Mutual funds	25,340,062	-	-	25,340,062
Corporate & Other Bonds (all domestic)	-	28,746,726	-	28,746,726
Common Stocks				
Domestic	39,103,674	-	-	39,103,674
International	8,256,420	-	-	8,256,420
Total Common Stocks	47,360,094	-	-	47,360,094
Cash and cash equivalents	5,784,495	-	-	5,784,495
Beneficial Interest in Perpetual Trusts	-	1,603,404	-	1,603,404
Total assets	$78,484,651	$30,350,130	$ -	$ 108,834,781

	September 30, 2011			
	Level 1	Level 2	Level 3	Total
Assets				
Mutual funds				
Domestic	$ 23,833,715	$ -	$ -	$ 23,833,715
International	117,442	-	-	117,442
Total Mutual funds	23,951,157	-	-	23,951,157
Corporate and other bonds (all domestic)	-	26,622,678	-	26,622,678
Common socks				
Domestic	31,972,796			31,972,796
International	6,999,850	-	-	6,999,850
Total Common Stocks	38,972,646		-	38,972,646
Cash and cash equivalents	5,295,105	-	-	5,295,105
Beneficial Interest in Perpetual Trusts	-	1,080,422	-	1,080,422
Total assets	$ 68,218,908	$ 27,703,100	$ -	$ 95,922,008

Excluded from the table above are $1,862,003 and $1,920,191 at September 30, 2012 and September 30, 2011, respectively, related to Wheeling Renal Care and $879,552 and $814,628 at September 30, 2012 and September 30, 2011, respectively, related to United Liquid Asset Fund

8. ENDOWMENT

The board of trustees of the Hospital has interpreted the Uniform Prudent Management of Institutional Fund Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary As a result of this interpretation, the Hospital classifies as permanently net restricted assets (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund The remaining portion of the donor-restricted endowment fund that is not classified in permanently restricted net assets is classified as temporarily restricted net assets until those amounts are appropriated for expenditure by the organization in a manner consistent with the standard of prudence prescribed by UPMIFA In accordance with UPMIFA, the Hospital considers the following factors in making a determination to appropriate or accumulate donor-restricted funds

- The duration and preservation of the fund
- The purposes of the Hospital and the donor-restricted endowment fund
- General economic conditions
- The possible effect of inflation and deflation
- The expected total return from income and the appreciation of investments
- Other resources of the Hospital
- The investment policies of the Hospital

The Belmont Hospital as of September 30, 2012 and 2011, had donor-restricted endowments of $1,603,404 and $1,080,422, respectively, recorded in permanently restricted net assets in perpetuity, the income from which is expendable to support the operations of Belmont Hospital

Funds With Deficiencies — From time to time, the fair value of assets associated with individual donor-restricted endowment funds may fall below the level that the donor or UPMIFA requires the Hospital to retain as a fund of perpetual duration These deficiencies result from unfavorable market fluctuations that occurred shortly after the investment of new permanently restricted contributions and continued appropriation for certain programs that was deemed prudent by the board of trustees There were no significant deficiencies of this nature that are reported in unrestricted net assets as of September 30, 2012 and 2011

Return Objectives and Risk Parameters — To satisfy its long-term rate of return objectives, the Hospital relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends) The Hospital targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints

Allocation of funds and the selection of managers shall be directed to maximizing returns while working within acceptable levels of risk The Hospital expects its endowment funds to provide an average annual rate of return that exceeds its annual spending rate

While 100% of all realized returns are spent, the corpus of the investment cannot be touched

9. PROPERTY, BUILDINGS, AND EQUIPMENT

The Hospital's property, buildings, and equipment accounts and related accumulated depreciation accounts as of September 30, 2012 and 2011, are as follows

	2012	2011
Assets		
Land	$ 4,667,117	$ 4,523,186
Land improvements	6,787,015	6,626,446
Buildings	144,103,612	96,876,075
Equipment	193,228,365	177,196,670
Construction-in-progress	3,845,390	39,509,962
Leasehold Improvement	133,514	133,514
Total assets	352,765,013	324,865,854
Accumulated depreciation (and asset lives)		
Land improvements (5–25 years)	5,421,755	5,187,046
Buildings (10–40 years)	76,033,492	72,259,146
Equipment (3–20 years)	138,598,044	129,569,759
Leasehold Improvements	29,888	17,464
Total accumulated depreciation	220,083,179	207,033,415
Property, buildings, and equipment — net	$ 132,681,834	$ 117,832,438

The depreciation expense is $15,761,245 and $13,810,734 for the years ended September 30, 2012 and September 30, 2011, respectively, recorded in depreciation and expenses from non operating activities in the statements of operations

10. BORROWING ARRANGEMENTS

Long-term debt as of September 30, 2012 and 2011 is summarized as follows

	2012	2011
Term loans and mortgages	$58,170,080	$34,790,773
Less current portion	1,219,276	552,917
Total long-term portion of debt	$56,950,804	$34,237,856

Term Loans and Mortgage — At September 30, 2012, Belmont Hospital had a term note with principal outstanding of $269,296 at an interest rate of 6 75% At September 30, 2011, Belmont Hospital had mortgage and term notes with outstanding principal of $315,832 at interest rates of 4 20% to 6 75% Principal and interest payments on the note are due monthly through 2017 The net book value of property pledged as collateral (mortgage) related to these Belmont Hospital loans was not material at September 30, 2012 and 2011

On November 23, 2010, Wheeling Hospital entered into a mortgage loan agreement with Berkadia Commercial Mortgage for costs related to the construction of Tower V on its campus and the Eclipsys information system This is a $58,369,949, 25-year loan with a 5 35% interest rate The mortgage loan is insured by the Secretary of Housing and Urban Development acting by and through the Federal Housing Commissioner under the provisions of Section 242 of the National Housing Act Drawdowns from the mortgage facility during the year ended September 30, 2012 were $23,924,715

Total principal payments due on the Hospital's and Belmont Hospital's debt (excluding capital lease obligations) for the next five fiscal years are $1,219,276, $1,286,864, $1,358,210, $1,433,521, and $1,496,323 for fiscal years 2013-2017, respectively, with $51,375,886 due thereafter Interest in the amount of $2,072,396 has been paid and recorded as capitalized interest since the beginning of the debt

Short-Term Borrowings — The Hospital has a $23 million line of credit Interest accrues at either the base rate or at the London InterBank Offered Rate (LIBOR), plus 0 60% at the option of the Hospital The base rate consists of the higher of the Prime Rate, the sum of the Federal Funds Open Rate, plus 50 basis points, or the sum of the Daily LIBOR, plus 100 basis points, so long as the Daily LIBOR is offered, ascertainable, and not unlawful The effective rate on outstanding borrowings was 0 84% at September 30, 2012 Outstanding borrowings on the line of credit at September 30, 2012 and 2011 were $0 and $3,646,930, respectively Interest was due and payable monthly as it accrued on this line of credit This line of credit is secured by certain investments of the Hospital, with a net book value of approximately $33,525,900 and $27,795,600 at September 30, 2012 and 2011, respectively

11. BOARD-DESIGNATED FUNDS

In accordance with the directives of the Board of Directors, the Hospital follows the policy of funding depreciation As of September 30, 2012 and 2011, the balances of these designated funds were approximately $2,341,000 and $3,762,000, respectively, and are included in assets whose use is limited in the accompanying consolidated balance sheets These funds are to be used for capital purposes (replacement of property, buildings, and equipment and retirement of debt)

12. TEMPORARILY RESTRICTED NET ASSETS

Temporarily restricted net assets at September 30, 2012 and 2011 are available for the following purposes

	2012	2011
Capital improvements	$6,394,650	$6,168,843
Health education	1,780,453	1,486,179
Grants	1,248,015	1,181,358
	$9,423,118	$8,836,380

13. LEASE COMMITMENTS

The Hospital leases certain equipment under capital lease agreements expiring in various years through 2017 Accordingly, the assets and corresponding indebtedness have been recorded on the consolidated financial statements of the Hospital The net book value of equipment under capital leases was approximately $2,530,500 and $2,750,800 for the years ended September 30, 2012 and 2011, respectively

Future minimum lease payments under capital leases (including interest) with initial or remaining terms of one year or more for the next five fiscal years are as follows

Fiscal Years Ending September 30	Capital Leases
2013	$1,069,557
2014	909,718
2015	312,024
2016	192,785
2017	172,500
	2,656,584
Amounts representing interest	126,072
Total principal payments	2,530,512
Less current portion	1,013,388
Long-term lease obligations	$1,517,124

Total lease and rental expense for the years ended September 30, 2012 and 2011, was approximately $3,482,000 and $3,426,000, respectively

14. RETIREMENT/PROFIT-SHARING PLANS

The Hospital has a noncontributory defined-contribution retirement plan covering substantially all employees The Hospital`s annual contribution to the plan is based upon a percentage of each eligible employee`s annual compensation, plus a supplemental contribution determined by the employee`s years

of service and the applicable schedule in the plan document In January 1999, the Hospital adopted a 403(b) retirement plan in addition to the above plan Under the 403(b) plan, the Hospital matches 25% of employee contributions up to 4% of the employee's gross wages Total retirement expense under these plans amounted to approximately $4,536,000 and $4,599,000, for the years ended September 30, 2012 and 2011, respectively

Belmont Hospital has a noncontributory defined-contribution profit-sharing plan covering substantially all employees Belmont Hospital's annual contribution to the plan is based upon a formula specified in the plan agreement and a percentage of each eligible employee's annual compensation, as approved annually by Belmont Hospital's board of trustees There was no retirement expense associated with this plan during 2012 or 2011 In January 2009, Belmont Community Hospital adopted a 403(b) retirement plan in addition to the plan above Under the 403(b) plan, Belmont Community Hospital matches 25% of employee contributions up to 4% of the employee's gross wages Total retirement expense under this plan amounted to approximately $30,000 and $27,000 in 2012 and 2011 respectively

15. INSURANCE PROGRAMS

Prior to October 1, 2006, the Hospital maintained a self-insurance program for certain general liability, professional liability (including medical malpractice claims), and workers' compensation loss exposures In addition, the Hospital maintained excess policies with commercial carriers Beginning October 1, 2006, the Hospital entered into a captive insurance program with MFRRG This insurance program is for professional and general liability, including medical malpractice Under MFRRG, the Hospital has primary coverage of $1,000,000 per incident/$3,000,000 in aggregate and $2,000,000 per occurrence/$4,000,000 in aggregate excess coverage There are no deductibles

Effective January 1, 2008, Belmont Hospital joined MFRRG with the same coverage limits as the Hospital Prior to January 1, 2008, Belmont Hospital maintained primary and excess coverage with commercial carriers Primary coverage is $1,000,000 per incident/$3,000,000 in aggregate and $2,000,000 per occurrence/$4,000,000 in aggregate excess coverage There are no deductibles

As disclosed in Note 1, the Hospital owns 97% of the common stock of MFRRG Accordingly, MFRRG is included within these consolidated financial statements

The Hospital accrues for the costs of professional and general liability claims based upon actuarial valuations of occurrence-based risks These accruals include consideration of incurred but not reported claims exposure Cumulative reserves for retention of self-insurance risk under general and professional liability programs amounted to approximately $18,015,000 and $19,836,000 at September 30, 2012 and 2011, respectively Total expense relating to professional and general liability insurance was approximately $6,789,000 and $6,817,000 for the years ended September 30, 2012 and 2011, respectively

In addition, the Hospital provides for workers' compensation losses up to a maximum deductible of $500,000 per occurrence The actuarially determined liability at September 30, 2012 and 2011, is approximately $1,726,000 and $1,616,000, respectively, recorded in accounts payable in the consolidated balance sheets Total expense relating to workers' compensation losses, fees, and administrative costs was approximately $1,373,000 and $1,118,000 for the years ended September 30, 2012 and 2011, respectively, recorded in compensation and employee benefits in the consolidated statements of operations

16. CONTINGENT LIABILITIES

The health care industry is subject to numerous laws and regulations of federal, state, and local governments These laws and regulations include, but are not necessarily limited to, matters such as licensure, accreditation, and government health care program participation requirements, reimbursement for patient services, and Medicare and Medicaid fraud and abuse Recently, government activity has increased with respect to investigations and allegations concerning possible violations of fraud and abuse statutes and regulations by health care providers Violations of these laws and regulations could result in expulsion from government health care programs together with the imposition of significant fines and penalties, as well as significant repayments for patient services previously billed Management believes that the Hospital is in compliance with Medicare and Medicaid fraud and abuse laws, as well as other applicable government laws and regulations Compliance with such laws and regulations can be subject to future government review and interpretation, as well as regulatory actions unknown or unasserted at this time

There are various pending lawsuits and claims arising primarily out of the conduct of the Hospital's business Certain of these proceedings claim substantial damages Historically, the Hospital has been successful in defending such actions or has settled them for amounts approximating reserves that had been established In the opinion of management, after consultation with legal counsel, the ultimate outcome of the remaining lawsuits and claims will not have a material adverse effect on the financial position of the Hospital

17. FUNCTIONAL EXPENSES

The Hospital provides general health care services to residents within its geographic region Functional expenses related to providing these operating services for the years ended September 30, 2012 and 2011, are as follows

	2012	2011
Health care services	$278,007,413	$253,309,487
General and administrative	27,734,201	32,405,026
	$305,741,614	$285,714,513

18. INCOME TAXES

The federal unrelated business income tax (UBIT) for Wheeling Renal Care was under review by the Internal Revenue Service for the years ended September 30, 2003 through September 30, 2007, to determine whether certain income should be included in the unrelated business income tax calculation During fiscal year 2011, the Hospital received notification of a favorable outcome and also received reimbursement of approximately $1,991,000 related to UBIT for the periods referenced above The Hospital recognized the income related to the UBIT in fiscal year 2011 in supplies, purchased services and general expense in the statements of operations

19. SUBSEQUENT EVENTS

Subsequent events have been evaluated through January 28, 2013, the date the financial statements were available to be issued

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SUPPLEMENTAL SCHEDULES

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — BALANCE SHEET INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS
AS OF SEPTEMBER 30, 2012

		Entities Excluded From the Obligated Group				Other Assets and Liabilities Excluded From the Obligated Group				
ASSETS	2012 Consolidated	Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc	Medical Park Foundation	WH Holdings II			Other Adjustments		Obligated Group
CURRENT ASSETS										
Cash and cash equivalents	$ 40 240 053	$ 1 141 180	$ 268 173	$	$ 245 632			$		$ 38 585 068
Restricted Cash	1 242 715									1 242 715
Receivables										
Patients — net	29 556 998	2 520 978								27 036 020
Patients — net related party		4 454						(8 569)	5	4 115
Other	1 558 880	273 421	126 978	2 420		131 078	1			1 024 983
Other related party		2 190						(3 415 555)	6	3 413 365
Current portion of assets whose use is limited	3 678 641		2 695 111			983 530	1			-
Inventories	2 799 428	817 010								1 982 418
Prepaid expenses and advances	3 395 479	78 400	294 882							3 022 197
Prepaid expenses and advances related party		138 594						(1 695 352)	7	1 556 758
Estimated third-party payer settlements	1 726 407	347 696								1 378 711
Total current assets	84 198 601	5 323 923	3 385 144	2 420	245 632	1 114 608		(5 119 476)		79 246 350
INVESTMENTS — Including board-designated funds										
Assets whose use is limited	75 895 987	1 603 404	24 474 403	1 713 170		44 611 261	1			3 493 749
Other long-term investments	28 964 433	232 872				28 731 561	1			-
Equity method investment in Wheeling Renal Care	1 862 003					1 862 003	1			-
Investments of Medical Park Foundation	1 175 272			1 175 272						-
Total investments	107 897 695	1 836 276	24 474 403	2 888 442		75 204 825				3 493 749
PROPERTY BUILDINGS AND EQUIPMENT —										
Net of accumulated depreciation	132 681 834	5 256 241			5 927 256	6 267 765	2			115 230 572
OTHER NONCURRENT ASSETS	7 690 236	17 083								7 673 153
TOTAL	$ 332 468 366	$ 12 433 523	$ 27 859 547	$ 2 890 862	$ 6 172 888	$ 82 587 198		$(5 119 476)		$ 205 643 824

(Continued)

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — BALANCE SHEET INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS
AS OF SEPTEMBER 30, 2012

LIABILITIES AND NET ASSETS	2012 Consolidated	Entities Excluded From the Obligated Group: Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc	Medical Park Foundation	WH Holdings II	Other Assets and Liabilities Excluded From the Obligated Group		Other Adjustments		Obligated Group
CURRENT LIABILITIES										
Current portion of long-term obligations	$ 2 232 664	$ 79 633	$	$	$	$ 820 974	3	$		$ 1 332 057
Short-term borrowings	-						4			-
Accounts payable	12 025 721	881 101	34 548		19 779					11 090 293
Accounts payable related party		1 435 378		1 860 469	121 633			(3 424 123)	8	6 643
Accrued salaries and other expenses	14 490 793	727 166	356 895							13 406 732
Accrued salaries and other expenses related party			1 695 353					(1 695 353)	9	-
Accrued vacation expenses	9 985 654	686 983								9 298 671
Current portion of self-insurance reserves	2 695 111		2 695 111							-
Total current liabilities	41 429 943	3 810 261	4 781 907	1 860 469	141 412	820 974		(5 119 476)		35 134 396
OTHER LIABILITIES	2 449 904	1 051 500				158 412	1			1 239 992
SELF-INSURANCE LIABILITIES	15 320 126		10 345 328							4 974 798
LONG-TERM DEBT — Less current maturities										
Term loans and mortgages	56 950 804	219 521								56 731 283
Capitalized lease obligations	1 517 124					860 807	3			656 317
Total long-term debt	58 467 928	219 521				860 807				57 387 600
NET ASSETS										
Unrestricted net assets	203 773 943	5 683 063	12 732 312	(684 650)	6 031 476	74 240 554	14			105 771 188
Temporarily restricted	9 423 118	65 774		1 715 043		6 506 451	14			1 135 850
Permanently restricted	1 603 404	1 603 404								-
Total net assets	214 800 465	7 352 241	12 732 312	1 030 393	6 031 476	80 747 005				106 907 038
TOTAL	$ 332 468 366	$ 12 433 523	$ 27 859 547	$ 2 890 862	$ 6 172 888	$ 82 587 198		$(5 119 476)		$ 205 643 824

(Concluded)

See accompanying notes to supplemental schedules

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — STATEMENT OF OPERATIONS INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

	2012 Consolidated	Entities Excluded From the Obligated Group: Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc	Medical Park Foundation	WH Holdings II	Other Revenues and Expenses Excluded From the Obligated Group		Other Adjustments		Obligated Group
UNRESTRICTED REVENUES GAINS AND OTHER SUPPORT										
Net patient service revenue	$304 522 444	$23 015 273	$ -	$ -	$ -	$ -		$ -		$281 507 171
Net patient service revenue related party		98 120						(171 836)	10	73 716
Assets released from restrictions used for operations	375 484									375 484
Other revenue	10 606 895	4 173 346								6 433 549
Other revenue related party			6 789 365					(6 810 680)	11	21 315
Total unrestricted revenues gains and other support	315 504 823	27 286 739	6 789 365					(6 982 516)		288 411 235
EXPENSES										
Compensation and employee benefits	153 887 628	10 943 941		51 280						142 892 407
Supplies purchased services and general	118 816 840	13 415 779	3 034 357	35 416						102 331 288
Supplies purchased services and general related entities		651 931						(7 025 225)	12	6 373 294
Provision for bad debts	16 309 057	1 707 039								14 602 018
Depreciation	15 070 761	1 077 012				1 524 982	3			12 468 767
Interest	1 311 618	23 833				75 577	3			1 212 208
Interest expense related entities		21 315						(21 315)	13	-
Other	345 710	60 039								285 671
Total expenses	305 741 614	27 900 889	3 034 357	86 696	-	1 600 559		(7 046 540)		280 165 653
INCOME FROM OPERATIONS BEFORE OTHER INCOME	9 763 209	(614 150)	3 755 008	(86 696)		(1 600 559)		64 024		8 245 582
OTHER INCOME (EXPENSE)										
Investment income	3 494 497	57 545	383 431	38 720		3 014 468	1			333
Expenses from other non operating activities	(3 690 122)	(63 106)			(1 148 548)	(188 024)	3			(2 290 444)
Revenues from other non operating activities	3 101 005	146 531								2 954 474
Revenues from other non operating activities related parties		37 172			25 052			(64 024)	15	1 800
Income from equity method investment in Wheeling Renal Care	1 147 140									1 147 140
Other	630 680	506 747		607	30 488					92 838
Total other income (expense) — net	4 683 200	684 889	383 431	39 327	(1 093 008)	2 826 444		(64 024)		1 906 141
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITUI	14 446 409	70 739	4 138 439	(47 369)	(1 093 008)	1 225 885				10 151 723
NET UNREALIZED GAINS (LOSSES) ON INVESTMENTS	8 474 448		598 368	38 066		7 836 262	1			1 752
INCREASE(DECREASE) IN UNRESTRICTED NET ASSETS	$ 22 920 857	$ 70 739	$4 736 807	$ (9 303)	$(1 093 008)	$ 9 062 147		$ -		$ 10 153 475

See accompanying notes to supplemental schedules

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — CASH FLOW INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

		Entities Excluded From the Obligated Group						
	2012 Consolidated	Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc	Medical Park Foundation	WHH II	Items Excluded From the Obligated Group	Other Adjustments	Obligated Group
CASH FLOW FROM OPERATING ACTIVITIES								
Change in net assets	$ 24.030.577	$ 570.463	$ 5.018.799	$ 33.522	$ 1.419.380	$ 12.449.741	$ -	$ 4.538.672
Depreciation and amortization	15.761.245	1.090.576			130.393	1.713.006		12.827.270
Provision for bad debts	16.309.057	1.707.039						14.602.018
Change in unrealized (gain) loss on investments	(8.848.209)		(598.368)	(48.634)		(8.201.207)		-
Change in realized (gain) loss on investments	-			(26.202)		26.202		-
Restricted contributions and investment income	(551.529)	(1.742)				(1.041.784)		491.997
Beneficial interest in charitable trust	(522.982)	(522.982)						-
Income from equity method investment in WRC	(1.147.140)					(1.147.140)		-
Net loss on disposals of property, buildings and equipmen	258.269	16.528						241.741
Change in assets and liabilities								
Patient and other receivables	(18.654.328)	(1.582.606)	(11.131)	827		(25.904)	905.025	(17.940.539)
Inventory	476.270	(78.057)						554.327
Prepaid expenses and advances	(192.341)	26.183	25.294				(18.515)	(225.303)
Accounts payable and accrued expenses	(5.273.843)	516.972	(31.645)	86.695	(1.660)		(886.510)	(4.957.695)
Third party payor settlements	(1.248.395)	(189.563)						(1.058.832)
Other liabilities	115.363	47.647				20.995		46.721
Other non current assets	(4.245.275)	-						(4.245.275)
Distribution in equity method investment in WRC	1.205.329					1.205.329		-
Self-insurance reserves	(1.821.185)	-	(1.848.232)	-	-	-	-	27.047
Net cash provided by operating activities	15.650.883	1.600.458	2.554.717	46.208	1.548.113	4.999.238	-	4.902.149
CASH FLOW FROM INVESTING ACTIVITIES								
Purchases of property, buildings and equipment	(29.372.913)	(1.452.122)			(1.796.812)	(596.058)		(25.527.921)
Proceeds from sale of property, building and equipment	43.543	32.148						11.395
Sales of Investments	28.127.319	-	12.650.723	391.963		15.084.631		2
Purchases of Investments	(31.732.083)	173	(14.957.755)	(438.171)	-	(15.842.583)	-	(493.747)
Net cash used in investing activities	$ (32.934.134)	$ (1.419.801)	$ (2.307.032)	$ (46.208)	$ (1.796.812)	$ (1.354.010)	$ -	$ (26.010.271)

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — CASH FLOW INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2012

		Entities Excluded From the Obligated Group						
	2012 Consolidated	Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc	Medical Park Foundation	WH Holdings II	Items Excluded From the Obligated Group	Other Adjustments	Obligated Group
CASH FLOW FROM FINANCING ACTIVITIES								
	$ (3,646,930)	$ -	$ -	$ -	$ -	$(3,646,930)	$ -	$ -
Restricted contributions and investment income	549,787					1,041,784		(491,997)
Borrowings of debt	23,924,715							23,924,715
Repayment of debt and capital lease obligations	(1,633,981)	(95,028)	-	-	-	(1,040,082)	-	(498,871)
Net cash provided by (used in) financing activities	19,193,591	(95,028)	-	-	-	(3,645,228)	-	22,933,847
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	1,910,340	85,629	247,685	-	(248,699)	-	-	1,825,725
CASH AND CASH EQUIVALENTS - Beginning of year	39,572,428	1,055,551	20,488	-	494,331	-	-	38,002,058
CASH AND CASH EQUIVALENTS - End of year	41,482,768	1,141,180	268,173	-	245,632	-	-	39,827,783
Non-Cash Transactions - Capital Lease transaction for equipment	868,271	-	-	-	-	820,974	-	47,297
Purchase of Property, Plant and Equipment in Accounts Payable	411,919	43,474	-	-	-	-	-	368,445
Cash Paid for Interest	$ 1,332,933	$ 45,148	$ -	$ -	$ -	$ -	$ -	$ 1,287,785

See accompanying notes to supplemental schedules

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — BALANCE SHEET INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS
AS OF SEPTEMBER 30, 2011

		Entities Excluded From the Obligated Group				Other Assets and Liabilities Excluded From the Obligated Group				
ASSETS	2011 Consolidated	Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc	Medical Park Foundation	WH Holdings II			Other Adjustments		Obligated Group
CURRENT ASSETS										
Cash and cash equivalents	$ 38,395,870	$ 1,055,551	$ 20,488	$	$ 494,331			$		$ 36,825,500
Restricted cash	1,176,558									1,176,558
Receivables										
Patients — net	27,983,970	2,696,083								25,287,887
Patients — net related party		11,336						(19,014)	5	7,678
Other	786,637	209,616	115,847	3,247		105,173	1			352,754
Other related party		8,441						(2,500,085)	6	2,491,644
Current portion of assets whose use is limited	10,870,483		6,163,263			4,707,220	1			
Inventories	3,275,698	738,953								2,536,745
Prepaid expenses and advances	3,203,138	110,817	320,176							2,772,145
Prepaid expenses and advances related party		132,360						(1,713,867)	7	1,581,507
Estimated third-party payer settlements	478,012	158,133								319,879
Total current assets	86,170,366	5,121,290	6,619,774	3,247	494,331	4,812,393		(4,232,966)		73,352,297
INVESTMENTS — Including board-designated funds										
Assets whose use is limited	59,817,464	1,080,422	18,100,851	1,669,698		35,966,493	1			3,000,000
Other long-term investments	24,950,990	231,303				24,719,687	1			-
Equity method investment in Wheeling Renal Care	1,920,191					1,920,191	1			-
Investments of Medical Park Foundation	1,097,700			1,097,700						-
Total investments	87,786,345	1,311,725	18,100,851	2,767,398		62,606,371				3,000,000
PROPERTY, BUILDINGS, AND EQUIPMENT —										
Net of accumulated depreciation	117,832,438	4,890,563			4,260,837	7,335,312	2			101,345,726
OTHER NONCURRENT ASSETS	3,704,311	26,417								3,677,894
TOTAL	$295,493,460	$11,349,995	$24,720,625	$2,770,645	$4,755,168	$74,754,076		$(4,232,966)		$181,375,917

(Continued)

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — BALANCE SHEET INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS
AS OF SEPTEMBER 30, 2011

		Entities Excluded From the Obligated Group				Other Assets and Liabilities Excluded From the Obligated Group				
LIABILITIES AND NET ASSETS	2011 Consolidated	Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc	Medical Park Foundation	WH Holdings II			Other Adjustments		Obligated Group
CURRENT LIABILITIES										
Current portion of long-term obligations	$ 1,661,698	$ 95,029	$ -	$ -	$ -	$ 1,060,289	3	$ -		$ 506,380
Short-term borrowings	3,646,930	-	-	-		3,646,930	4	-		-
Accounts payable	20,307,062	974,942	58,148	-	143,072	-		-		19,130,900
Accounts payable related party	-	725,549		1,773,774		-		(2,519,099)	8	19,776
Accrued salaries and other expenses	12,600,422	841,113	346,426	-		-		-		11,412,883
Accrued salaries and other expenses related party	-	-	1,713,867	-		-		(1,713,867)	9	-
Accrued vacation expenses	8,456,608	628,578	-	-		-		-		7,828,030
Current portion of self-insurance liabilities	6,163,263	-	6,163,263	-	-	-		-		-
Total current liabilities	52,835,983	3,265,211	8,281,704	1,773,774	143,072	4,707,219		(4,232,966)		38,897,969
OTHER LIABILITIES	2,334,541	1,003,853	-	-		137,417	1	-		1,193,271
SELF-INSURANCE LIABILITIES	13,673,159	-	8,725,408	-		-		-		4,947,751
LONG-TERM DEBT — Less current maturities										
Term loans and mortgages	34,237,856	269,295	-	-		-		-		33,968,561
Capitalized lease obligations	1,642,033	29,858	-	-	-	1,612,175	3	-		-
Total long-term debt	35,879,889	299,153	-	-	-	1,612,175		-		33,968,561
NET ASSETS										
Unrestricted net assets	180,853,086	5,637,324	7,713,513	(675,347)	4,612,096	62,287,691	14	-		101,277,809
Temporarily restricted	8,836,380	64,032	-	1,672,218	-	6,009,574	14	-		1,090,556
Permanently restricted	1,080,422	1,080,422	-	-	-	-		-		-
Total net assets	190,769,888	6,781,778	7,713,513	996,871	4,612,096	68,297,265		-		102,368,365
TOTAL	$295,493,460	$11,349,995	$24,720,625	$2,770,645	$4,755,168	$74,754,076		$(4,232,966)		$181,375,917

(Concluded)

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — STATEMENT OF OPERATIONS INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS FOR THE YEAR ENDED SEPTEMBER 30, 2011

	2011 Consolidated	Entities Excluded From the Obligated Group: Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc	Medical Park Foundation	WH Holdings II	Other Revenues and Expenses Excluded From the Obligated Group		Other Adjustments		Obligated Group
UNRESTRICTED REVENUES, GAINS AND OTHER SUPPORT										
Net patient service revenue	$288,180,250	$22,323,694	$	$	$	$		$		$265,856,556
Net patient service revenue, related party		102,785						(182,414)	10	79,629
Assets released from restrictions used for operations	444,173									444,173
Other revenue	9,574,414	3,788,756	368,742							5,416,916
Other revenue related party			6,636,821					(6,655,236)	11	18,415
Total unrestricted revenues, gains and other support	298,198,837	26,215,235	7,005,563					(6,837,650)		271,815,689
EXPENSES										
Compensation and employee benefits	140,799,774	11,217,917		50,669						129,531,188
Supplies, purchased services and general	112,189,888	12,867,176	6,783,174	150,980						92,388,558
Supplies, purchased services and general related entities		80,229						(6,883,369)	12	6,803,140
Provision for bad debts	18,970,493	1,925,224								17,045,269
Depreciation	13,239,898	1,013,628				1,583,478	3			10,642,792
Interest	166,696	26,387				140,309	3			-
Interest expense related entities		18,415						(18,415)	13	-
Other	347,764	71,144								276,620
Total expenses	285,714,513	27,220,120	6,783,174	201,649		1,723,787		(6,901,784)		256,687,567
INCOME FROM OPERATIONS BEFORE OTHER INCOME	12,484,324	(1,004,885)	222,389	(201,649)		(1,723,787)		64,134		15,128,122
OTHER INCOME (EXPENSE)										
Investment (loss) income	5,942,275	38,514	566,388	(177,917)	3,132	5,512,158	1			
Revenues from other non operating activities	3,142,457	161,827								2,980,630
Revenues from other non operating activities related parties		63,534						(64,134)	15	600
Expenses from other non operating activities	(3,077,947)	(78,850)			(28,648)	(171,986)	3			(2,798,463)
Income from equity method investment in Wheeling Renal Care	1,200,331									1,200,331
Other	946,786	407,712		350,611						188,463
Total other income (expense) — net	8,153,902	592,737	566,388	172,694	(25,516)	5,340,172		(64,134)		1,571,561
EXCESS OF REVENUES OVER EXPENDITURES	20,638,226	(412,148)	788,777	(28,955)	(25,516)	3,616,385				16,699,683
NET UNREALIZED GAINS (LOSSES) ON INVESTMENTS	(4,019,155)		221,401	(36,038)		(4,204,518)	1			
INCREASE(DECREASE) IN UNRESTRICTED NET ASSETS	$ 16,619,071	$ (412,148)	$1,010,178	$ (64,993)	$ (25,516)	$ (588,133)		$		$ 16,699,683

See accompanying notes to supplemental schedules

SUPPLEMENTAL SCHEDULE — CASH FLOW INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

		Entities Excluded From the Obligated Group						
	2011 Consolidated	Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc	Medical Park Foundation	WHH II	Items Excluded From the Obligated Group	Other Adjustments	Obligated Group
CASH FLOW FROM OPERATING ACTIVITIES								
Change in net assets	$ 17,529,894	$ 410,408	$ 1,190,388	$ 167,536	$ 4,612,096	$ (2,792,690)	$ -	$ 13,942,156
Depreciation and amortization	13,810,734	1,027,810			19,361	1,755,465		11,008,098
Provision for bad debts	18,970,493	1,925,224						17,045,269
Change in unrealized (gain) loss on investments	4,097,578		(221,401)	25,197		4,293,781		1
Change in realized (gain) loss on investments	-			(9,528)	(1,553)	11,081		-
Restricted contributions and investment income	(342,436)	(6,046)				(336,390)		-
Beneficial Interest in charitable trust	(841,510)	(841,510)						-
Income from equity method investment in WRC	(1,200,331)					(1,200,331)		-
Net (gain) loss on disposals of property, buildings and equipment	65,686	(1,330)						67,016
Change in assets and liabilities								
Patient and other receivables	(17,890,477)	(1,818,892)	(22,007)	(3,247)		10,676	321,407	(16,378,414)
Inventory	(545,137)	36,431						(581,568)
Prepaid expenses and advances	(156,358)	642	33,861				162,760	(353,621)
Accounts payable and accrued expenses	3,898,422	129,760	(58,678)	201,649	143,072		(484,167)	3,966,786
Third party payor settlements	1,207,203	344,686						862,517
Other liabilities	73,744	63,607				(5,010)		15,147
Other non current assets	(1,094,250)	(24,692)						(1,069,558)
Distribution in equity method investment in WRC	1,302,706	0				1,302,706		-
Self-insurance reserves	4,104,514	-	4,087,501	-	-	-	-	17,013
Net cash provided by operating activities	42,990,475	1,246,098	5,009,664	381,607	4,772,976	3,039,288	-	28,540,842
CASH FLOW FROM INVESTING ACTIVITIES								
Purchases of property, buildings and equipment	(42,076,723)	(945,119)			(4,280,198)	(433,130)		(36,418,276)
Proceeds from sale of property, building and equipment	10,380	2,000						8,380
Sales of Investments	82,115,442		8,599,590	106,663	503,131	72,906,058		0
Purchases of Investments	(89,084,536)	4,616	(13,819,817)	(488,270)	(501,578)	(71,279,486)	-	(3,000,001)
Net cash used in investing activities	$ (49,035,437)	$ (938,503)	$ (5,220,227)	$ (381,607)	$ (4,278,645)	$ 1,193,442	$ -	$ (39,409,897)

WHEELING HOSPITAL, INC.

SUPPLEMENTAL SCHEDULE — CASH FLOW INFORMATION — OBLIGATED GROUP AND OTHER OPERATIONS
FOR THE YEAR ENDED SEPTEMBER 30, 2011

		Entities Excluded From the Obligated Group						
	2011 Consolidated	Belmont Community Hospital	Mountaineer Freedom Risk Retention Group, Inc	Medical Park Foundation	WH Holdings II	Items Excluded From the Obligated Group	Other Adjustments	Obligated Group
CASH FLOW FROM FINANCING ACTIVITIES								
Repayments of short term borrowings	$ (3,431,288)	$ -	$ -	$ -	$ -	$ (3,431,288)	$ -	$ -
Restricted contributions and investment income	336,390					336,390		-
Borrowings of debt	34,474,941							34,474,941
Repayment of debt and capital lease obligations	(1,254,763)	(116,931)	-	-	-	(1,137,832)	-	-
Net cash provided by financing activities	30,125,280	(116,931)	-	-	-	(4,232,730)	-	34,474,941
NET INCREASE(DECREASE) IN CASH AND CASH EQUIVALENTS	24,080,318	190,664	(210,563)	-	494,331	-	-	23,605,886
CASH AND CASH EQUIVALENTS - Beginning of year	15,492,110	864,887	231,051	-	-	-	-	14,396,172
CASH AND CASH EQUIVALENTS - End of year	$ 39,572,428	$ 1,055,551	$ 20,488	$ -	$ 494,331	$ -	$ -	$ 38,002,058
Non-Cash Transactions - Capital Lease transaction for equipment	$ 121,028	$ 97,596	$ -	$ -	$ -	$ 23,432	$ -	$ -
Purchase of Property, Plant and Equipment in AP	$ 2,697,330	$ 38,678	$ -	$ -	$ -	$ -	$ -	$ 2,658,652
Cash Paid for Interest	$ 185,111	$ 44,802	$ -	$ -	$ -	$ -	$ -	$ 140,309

See accompanying notes to supplemental schedules

WHEELING HOSPITAL, INC.

NOTE TO SUPPLEMENTAL SCHEDULES
AS OF AND FOR THE YEARS ENDED SEPTEMBER 30, 2012 AND 2011

1 Wheeling Hospital, Inc has finalized a borrowing transaction for which the United States Department of Housing and Urban Development ("HUD") is the debt insurer Whereby, Wheeling Hospital, Inc (the "Hospital") borrows funds for certain capital expenditures and such borrowings are insured by HUD HUD has entered into a trust and mortgage agreement with the Hospital for which entities and portions of entities of the consolidated group will pledge their assets and revenues as collateral under the mortgage

Generally, entities or portions of entities of the consolidated group which will be included in the obligated group (the "Obligated Group") are portions of the Hospital and the Bishop Joseph H Hodges Continuous Care Center ("CCC") Division

Generally, entities or portions of entities which are part of the consolidated group which will be excluded from the obligated group are Belmont Community Hospital, Mountaineer Freedom Risk Retention Group Inc , Medical Park Foundation, Wheeling Hospital Holdings II, Wheeling Renal Care (a 50% Hospital owned equity method investment for which the Hospital's ownership interest is excluded from the obligated group but distributions received by the Hospital are included in the general revenue pledge), certain properties owned by the Hospital, obligations under the Hospital's line of credit agreement, the Hospital's restricted and unrestricted investments and the Hospital assets under capital leases, as well as restricted cash

All off-campus properties owned by the Hospital are to be excluded from the HUD mortgage (and as a result the Obligated Group)

2 The Hospital accounts for its sole membership in its controlled entities using the cost method

WHEELING HOSPITAL INC.

KEY TO OTHER ADJUSTMENTS TO SUPPLEMENTAL SCHEDULES
AS OF AND FOR THE YEARS ENDED SEPTEMBER 30, 2012 AND 2011

1 To remove all restricted and unrestricted investment balances except for the $3,000,000 related to the BCH escrow account and $493,749 related to the Mortgage Reserve Fund, interest receivable on the investments, associated deferred compensation liability, all investment income and realized and unrealized gains and losses which are to be excluded from the Obligated Group, as well as restricted cash

2 To remove all off campus properties and capital lease assets to be excluded from the Obligated Group

3 To remove capital lease obligations and related property to be excluded from the Obligated Group

4 To remove borrowings under the line of credit to be excluded from the Obligated Group

5 To adjust for patient receivables due from Belmont Community Hospital ("BCH") since BCH is excluded from the Obligated Group

6 To adjust for other receivables due from BCH and Medical Park Foundation ("MPF") since BCH and MPF are to be excluded from the Obligated Group

7 To adjust for premiums paid to Mountaineer Freedom Risk Retention Group ("MFRRG") since MFRRG is to be excluded from the Obligated Group

8 To adjust for accounts payable for BCH, MFRRG, and MPF related to receivables due to Wheeling Hospital BCH, MFRRG, and MPF are to be excluded from the Obligated Group

9 To adjust for MFRRG Insurance since MFRRG is to be excluded from the Obligated Group

10 To adjust for patient revenue related to charges to BCH patients, as BCH is to be excluded from the Obligated Group

11 To adjust for interest revenue related to BCH accounts receivable and insurance revenue related to MFRRG, as BCH and MFRRG are to be excluded from the Obligated Group

12 To adjust for insurance expense related to MFRRG, medical supply expense related to BCH patient charges, as MFRRG and BCH are to be excluded from the Obligated Group

13 To adjust for interest expense related to BCH accounts receivable balance, as BCH is to be excluded from the Obligated Group

14 To adjust for related-party balances which are to be excluded from the Obligated Group

15 To adjust for non operating revenue related to BCH rental income from WH to be excluded from the obligated group